

009



Phone: (801) 561-3121
Fax: (801) 561-3133

DOLAR ENERGY L.L.C.

935 East South Union Avenue
Suite D-202
Midvale, UT 84047-2393

FACSIMILE TRANSMITTAL COVER SHEET

TO: Brad Hill

FACSIMILE NUMBER: 539-3940

FROM: Mark S. Dolar

DATE: 2/16, 2001 TIME SENT: 4:40

NUMBER OF PAGES: 5 (Including cover sheet)

MESSAGE: APD Notice of stakings for two wells
in Juab County.

lets try to set up well visits the 26th or 27th

*Reg. complete permits.

LC

Thanks

Mark

If documents described above are not properly received, please call (801) 561-3121. Our fax number is (801) 561-3133

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

005

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease Designation and Serial Number: Fee	
B. Type of Well: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER: Strat Test SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name: N/A	
2. Name of Operator: Wolverine Gas and Oil Corporation		7. Unit Agreement Name: N/A	
3. Address and Telephone Number: One Riverfront Plaza (616)458-1150 Grand Rapids, MI 49503-2616		8. Farm or Lease Name: Monroe Trust	
4. Location of Well (Footages) At Surface: 2900 FWL 1950 FNL At Proposed Producing Zone: same		9. Well Number: Monroe Trust 1-7	
14. Distance in miles and direction from nearest town or post office: Approx 12 miles southwest of Levan, UT		10. Field and Pool, or Wildcat: Wildcat	
15. Distance to nearest property or lease line (feet): 1950'		11. Ctr/Ctr, Section, Township, Range, Meridian: Lot 13, Sec 7, T16S, R1W, SLM	
16. Number of acres in lease: 1276.30		12. County: Juab	
17. Number of acres assigned to this well: 160.00		13. State: UTAH	
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): N/A		19. Proposed Depth: 2000 ft	
20. Rotary or cable tools: Rotary		21. Elevations (show whether DF, RT, GR, etc.): 5042 GR	
22. Approximate date work will start: March 15, 2001			

4365155 N
413554 E
Replaced by 2901

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	6-5/8"	32 lbs/ft	100'	134 gallons of Class "A"
6"	4-1/2"	11.6 lbs/ft	1,100'	707 gallons of Class "G"
3.850"	Open hole	-----	2,000'	

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

The hole plan will be as follows:

0-100' 8-3/4" hole 6-5/8" casing, 32 lbs/ft K55 ST&C

Set Diverter

Rotary Drill 100 feet to 1,100 feet, 6" hole, Set 4-1/2" x 4" casing, 11.6 lbs/ft K55 ST&C
Core Using HMCQ Wireline Retrieved Core Barrel, 1,100 feet to 2,000' (3.850 Hole x 2.5" core)

Plug and Abandon and reclaim surface.

Collateral Bond is held by Director of the Division of Oil, Gas & Mining by Certificate of Deposit held with Brighton Bank, Account # 19-10719-2. (See attached copy)

24. Name & Signature: <u>Mark S. Dolar</u> (801) 561-2312	Title: <u>Agent</u>	Date: <u>2/16/01</u>
--	---------------------	----------------------

(This space for State use only)

API Number Assigned: 43-023-30017

Approval:

RECEIVED

APR 17 2001

DIVISION OF
OIL, GAS AND MINING

Section 7, 16 S., R.1W., S.L.B. & M.

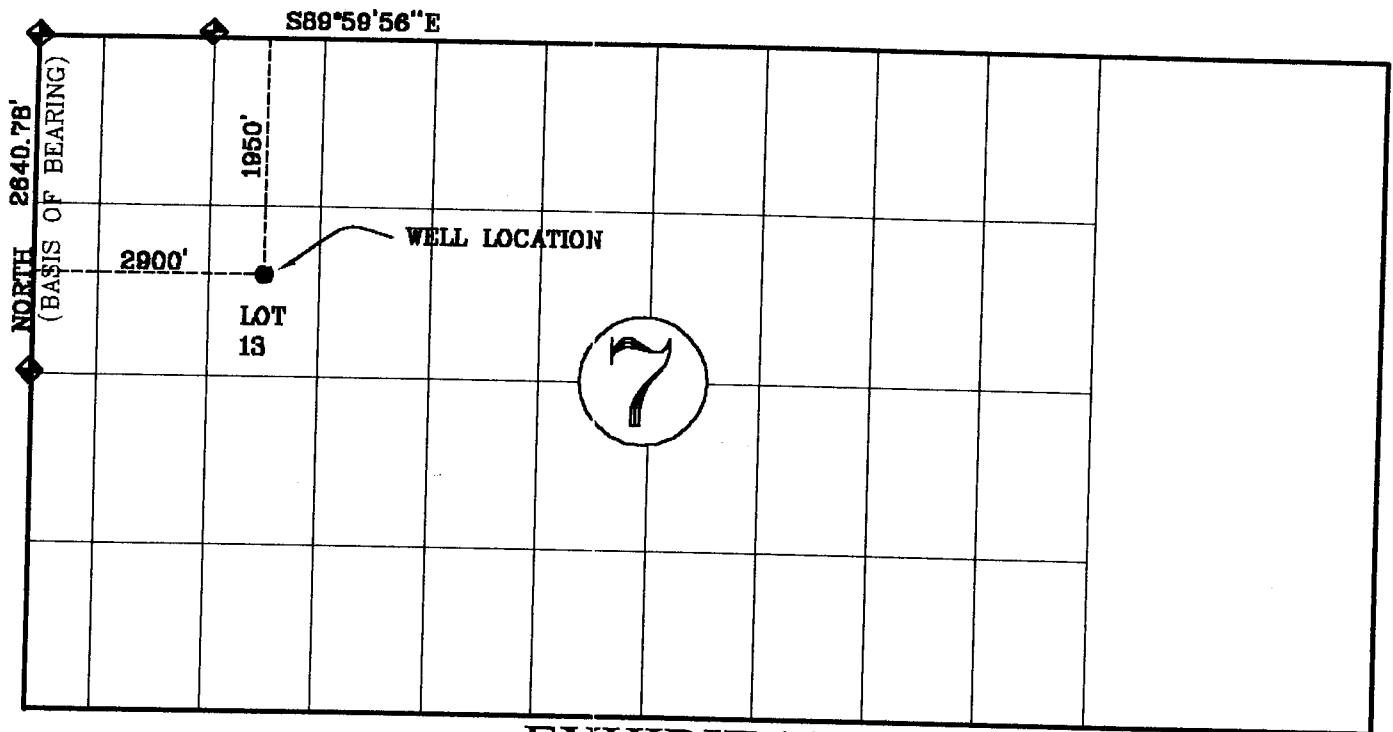


EXHIBIT 'A'

BASIS OF BEARING

NORTH ALONG
THE WEST
SECTION LINE.

LEGEND

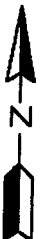
- = WELL LOCATION
- ◆ = MONUMENTED SECTION CORNER
- ◆ = UNMONUMENTED SECTION CORNER

CERTIFICATION

I, STEPHEN L. LUDLOW, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND THAT I HOLD CERTIFICATE NO. 152774 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT A SURVEY HAS BEEN MADE OF THE LAND SHOWN AND DESCRIBED HEREON. I FURTHER CERTIFY THAT THIS SURVEY IS A CORRECT REPRESENTATION OF THE LAND SURVEYED AND HAS BEEN PREPARED IN CONFORMITY WITH THE MINIMUM STANDARDS AND REQUIREMENTS OF THE LAW.

Stephen L. Ludlow
STEPHEN L. LUDLOW

4-4-01
DATE:



PLAT PREPARED BY

LUDLOW ENGINEERING
645 NORTH MAIN STREET
NEPHI, UTAH, 84648
PHONE 623-0897

FILE NUMBER LE1002

WELL LOCATION PLAT FOR
WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7

TOWNSHIP 16 SOUTH, RANGE 1 WEST, SL&M
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH

**Wolverine Gas & Oil
Monroe Trust 1-7
Surface Location:
2900' FWL & 1950' FNL
Section 7: Lot 13, Township 16 South, Range 1 West
Juab County, Utah**

All lease operations will fully comply with applicable laws, regulations (R649-3), the Utah Oil & Gas Conservation General Rules. The operator, Wolverine Gas & Oil Corporation, is fully responsible for the actions of its subcontractors. Wolverine Gas & Oil Corporation will furnish a copy of these conditions to its field representative to ensure compliance.

Drilling Program

Surface Formation and Estimated Formations Tops:

All depths are true vertical and based on a ground level of 5,042 feet, except where noted. Ground Level ("GL") is from enclosed survey.

Formation	Depth From GL (feet)
Flagstaff	0
North Horn	1,100
Williams Peak	1,500
 TOTAL DEPTH	 2,000

The mud program for the well will be fresh water and high yield Wyoming Bentonite. Polymers may be added when necessary.

Estimated Depth at which oil, gas, water or other mineral bearing zones are expected to be encountered.

The primary objective of this well is to log and test the potential of the Williams Peak formation and associated coal seams at the depths of 1,100 feet to 2,000 feet. All shows of fresh water and gas will be reported and protected. The well will be cored, then plugged and abandoned pursuant to regulations of the Conservation requirements.

BOP Equipment

All BOPE will be tested pursuant to R649-3-7 of the Conservation Rules. Minimum specifications for pressure control equipment are as follows:

Ram Type: Torous Type K stripper will be used with annular, 1,500 p.s.i., complete with nitrogen powered fail-safe backup.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. BOPE schematic diagram is attached as Exhibit "C".

Casing Program

Pursuant to R649-3-8 of the Conservation Rules, the casing program (as described on Form 3 herein) shall be by pump and plug method. All surface strings will be cemented throughout their lengths. All horizons penetrated will be protected.

The surface casing will be cemented to surface with 134 gallons of Class "A" cement. The 4½" casing will be cemented with 707 gallons of Class "B" cement.

The casing program will protect any potential oil and gas horizons, and water zones, and stop any migration or infiltration of water from other sources and to prevent migration of oil, gas and water from one horizon to another.

Pursuant to R649-3-12, hydrogen sulfide is not expected to be encountered while drilling this well.

Integrity tests, pursuant to R649-3-13, will be conducted on casing at the appropriate times, determined by the Division of Oil, Gas and Mining.

OTHER

Pursuant to R649-3-14, all rubbish and debris shall be kept at least 100 feet from well location, tanks or any structures. All trash will be kept in containers on the well site, and will be hauled away at the completion of drilling operations.

All reasonable precautions pursuant to R649-3-15 shall be taken to avoid pollution.

A small reserve pit for waste mud will be located at the south end of the well site plan. The pit will be eight feet x eighteen feet and located on the west side of the site layout, and will be four feet deep, and hold up to 200 barrels of fluids. Unless otherwise directed at the pre-drill site evaluation, the pit will not be lined. Rules pursuant to R649-3-16 will be followed regarding the pit.

Upon completion of drilling and coring the well will be plugged and abandoned pursuant to R649-3-24, and the surface will be restored pursuant to R649-3-34.

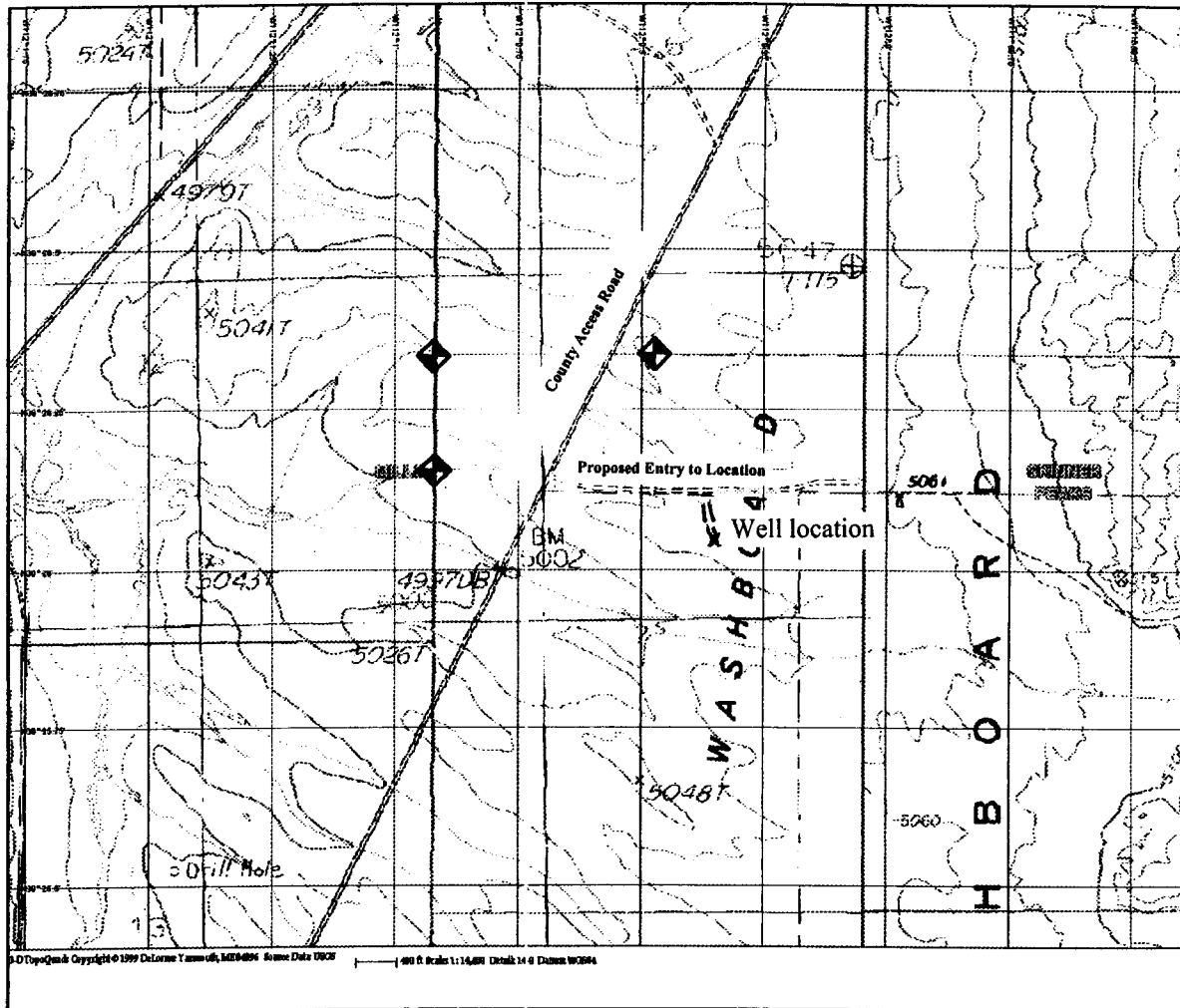
Surface Use Plan:

A diagram for the surface site plan is attached as Exhibit "D". A truck mounted rig will be used. Leveling of surface for location site and surface disturbance of a well pad and access road will not be required.

Water

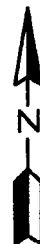
Water for drilling will be purchased and hauled to location and stored in storage tanks. Water will be acquired from State Permit #66-77 owned by the Bureau of Land Management. Location of point of diversion is North 4054' and East 4571' from the Southwest Corner of Section 7, Township 16 South, Range 1 West. Waste water will not be discharged at site and the well will not require a waste water management plan.

Section 7, T.16 S., R.1W., S.L.B. & M.



VICINITY MAP EXHIBIT "A-1" **LEGEND**
 U.S.G.S. QUAD - SKINNER PEAKS

- = WELL LOCATION
- = MONUMENTED SECTION CORNER
- = UNMONUMENTED SECTION CORNER



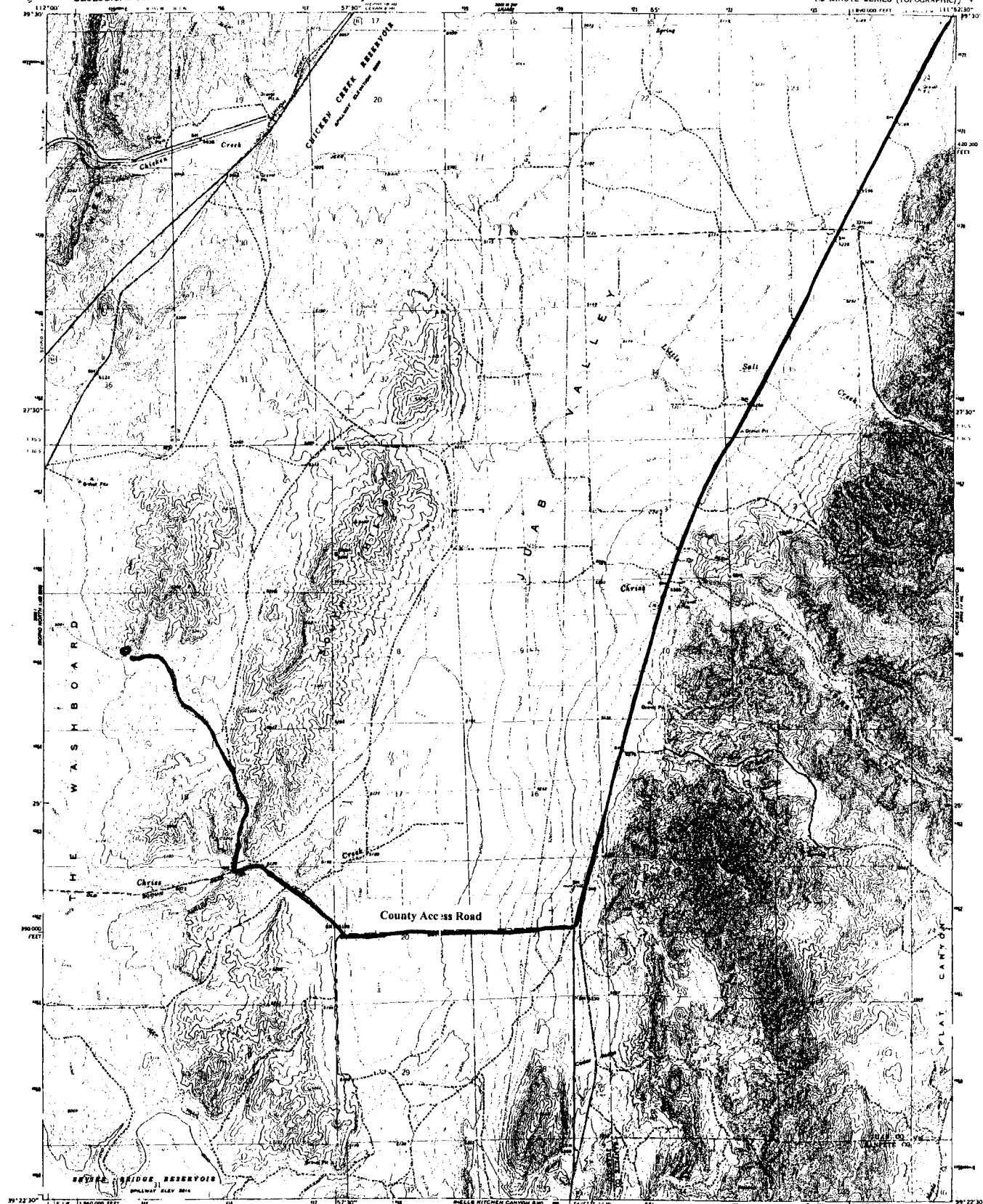
PLAT PREPARED BY

LUDLOW ENGINEERING
 645 NORTH MAIN STREET
 NEPHI, UTAH, 84648
 PHONE 623-0897

FILE NUMBER LE1002

WELL LOCATION PLAT FOR

WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7
TOWNSHIP 16 SOUTH, RANGE 1 WEST, SLBM
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH



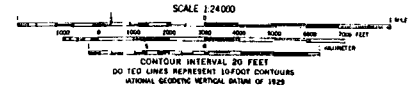
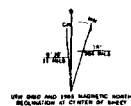
Mapped, edited, and published by the Geological Survey
Control by USGS and USC&GS

Topography by photogrammetric methods from aerial
photographs taken 1963. Field checked 1965.
Polyconic projection. 1927 North American Datum.
10,000-foot grid based on UTM coordinate system, control zone
1000-meter Universal Transverse Mercator grid ticks,
zone 12, shown in blue.

Fine red dashed lines indicate selected fence lines.

Areas covered by dashed light blue pattern
are subject to controlled inundation.

To place on the grid-based North American Datum 1983
move the projection from 8 meters north and
60 meters east as shown by dashed corner ticks.



ROAD CLASSIFICATION

Heavy duty	Light duty
Medium-duty	Unimproved det.
U.S. Route	State Route

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER, COLORADO 80226, OR RESTON, VIRGINIA 22062
A FOLDER DESCRIPTION, TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

SKINNER PEAKS, UTAH
39111-06-17-024
1960
DATA 3903 IF NEW SERIES 1987

EXHIBIT "C"

WOLVERINE GAS & OIL CORPORATION

DIVERTER FOR USE IN COAL BED
METHANE CORING OPERATIONS

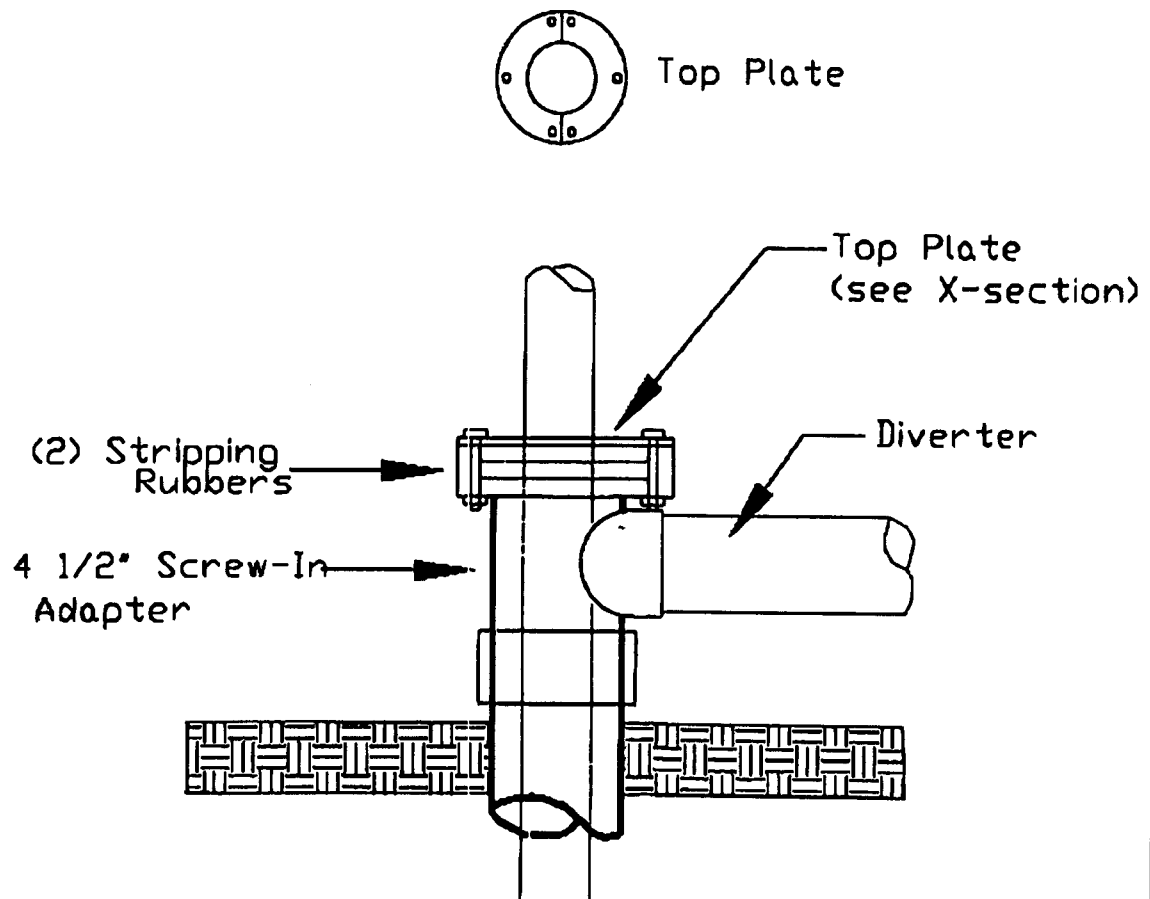
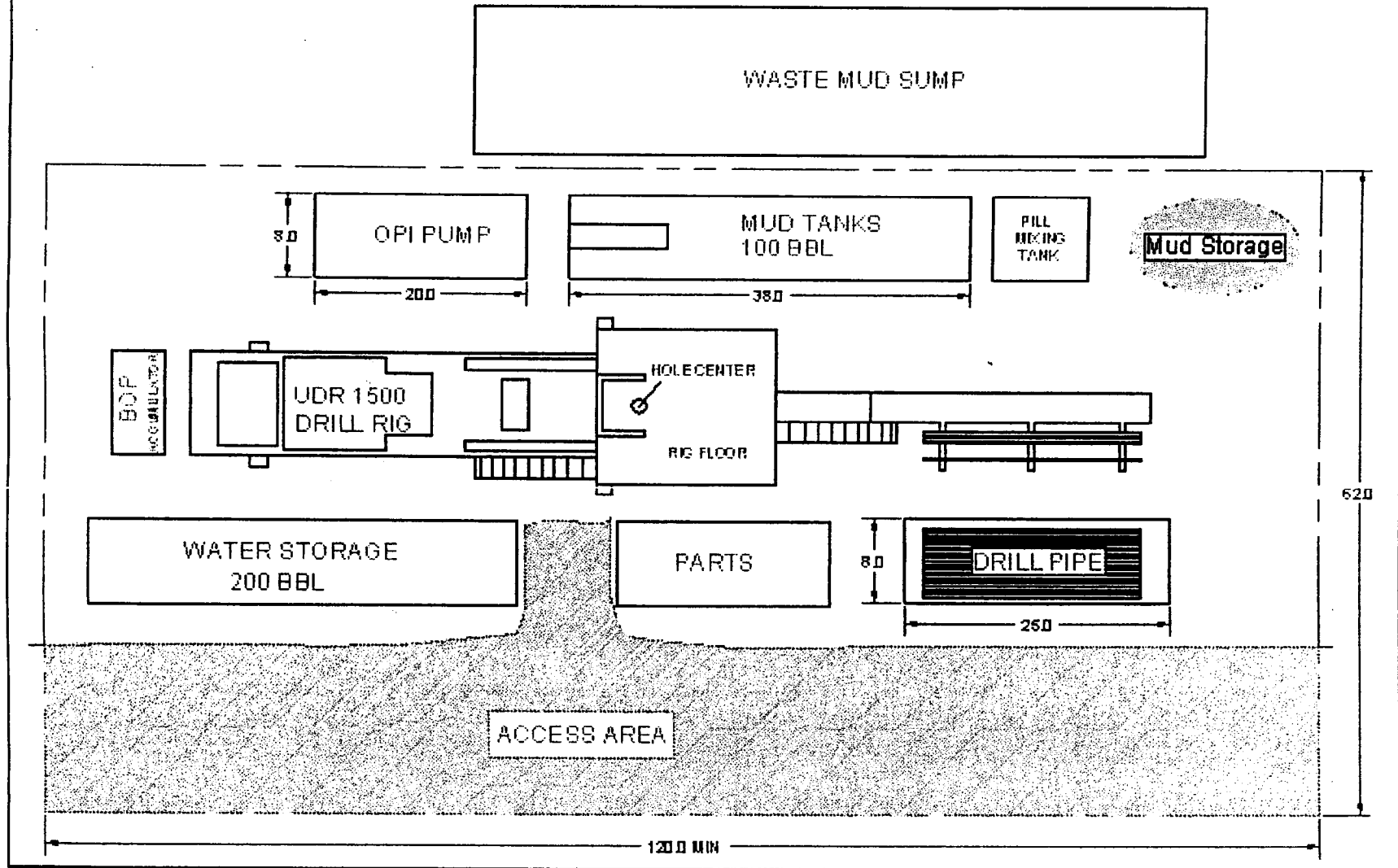


EXHIBIT "D"

UDR 1500 SITE



***** P. 01 *****

008 TRANSACTION REPORT MAR-08-2001 THU 02:56 PM

FOR: OIL, GAS & MINING 801 359 3940

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
MAR-08	02:54 PM	5318468	1'41"	5	SEND	OK	396	
TOTAL :						1M 41S	PAGES:	5



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
 Governor
 Kathleen Clarke
 Executive Director
 Lowell P. Braxton
 Division Director

1594 West North Temple, Suite 1210
 PO Box 145801
 Salt Lake City, Utah 84114-5801
 801-538-5340
 801-359-3940 (Fax)
 801-538-7223 (TDD)

**UTAH DIVISION OF OIL, GAS AND MINING
 FACSIMILE COVER SHEET**

DATE: March 8, 2001

FAX #: 531-8468

ATTN: Sally Sullivan

COMPANY: Gen Scout

DEPARTMENT: _____

NUMBER OF PAGES: (INCLUDING THIS ONE) 5

FROM: Pishe

If you do not receive all of the pages, or if they are illegible, please call (801)538-5340.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/17/2001

API NO. ASSIGNED: 43-023-30017

WELL NAME: MONROE TRUST 1-7

OPERATOR: ~~TEXACO E & P INC~~ (~~N5700~~)

(N0210) Chevron USA Inc.

CONTACT: DON HAMILTON, AGENT

PHONE NUMBER: 435-637-8781

PROPOSED LOCATION:

SWNW 07 160S 010W

SURFACE: 1950 FNL 2900 FWL

BOTTOM: 1950 FNL 2900 FWL

JUAB

WILDCAT (1)

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: NHORN

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	Dken	6/10/02
Geology		
Surface		

LATITUDE: 39.43348

LONGITUDE: -112.0044

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[] Ind[] Sta[] Fee[4](No. ~~6027949~~ 103524627-0018)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit

(No. 66-77)

☒ RDCC Review (Y/N)

(Date: 05/08/2001)

☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit

☒ R649-3-2. General Imp. Sec.

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

___ Drilling Unit

Board Cause No: _____

Eff Date: _____

Siting: _____

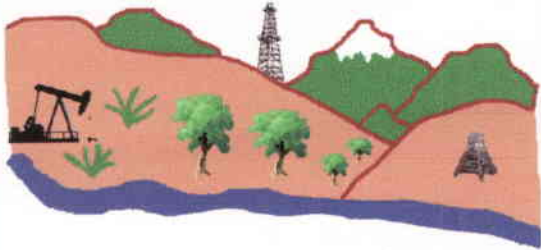
___ R649-3-11. Directional Drill

COMMENTS: New presite not required per BH.

STIPULATIONS: ① Production casing shall be cemented back to 1000' MD

② Spacing Stip.

③ STATEMENT OF BASIS



Utah Oil Gas and Mining

OPERATOR: WOLVERINE GAS & OIL (N1655)

SEC. 7, T16S, R1W

FIELD: WILDCAT (001)

COUNTY: JUAB SPACING: R649-3-2/GEN ST

T16S R2W

1

12

MONROE 13-7



13

24

T16S R1W

6

MONROE TRUST 1-7 (STRAT)



7

18

PREPARED BY: LCORDOVA
DATE: 18-APRIL-2001

4-30-02 OK!
lc

05-02 Texaco Monroe Truss -7

Casing Schematic

Surface

8-5/8"
MW 8.4
Frac 19.3

TOC @
0.

Surface
300. MD

w/12 5/8" washout

-480' TOC w/10 5/8" washout

-983' TOC w/15 8" washout

-1000' min cement stop

TOC @
1358.

1100' -
Northhorn

1500' -
Lower North
H-11A

-1520'

Expected gas zone

w/10 5/8" washout

-2000'

5-1/2"
MW 9.

Production
3500. MD

$$\frac{BOP}{34P} = (0.052 \times 9) (3500) = 1638 \text{ psi}$$

$$G_{us} = (6.12) (3500) = 420 \text{ psi}$$

$$MASP = 1218 \text{ psi}$$

3MBOPF proposed

Adequate DKO 6/6/02

**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: ChevronTexaco

WELL NAME & NUMBER: Monroe Trust 1-7

API NUMBER: 43-023-30017

LEASE: Fee

FIELD/UNIT: Wildcat

LOCATION: 1/4, 1/4 NW NW Sec: 7 TWP: 16 S RNG: 1 W 2900 F W L 1950 F N L

LEGAL WELL SITING: 660 **Lease Line Setback and** 1320 **From another well.**

GPS COORD (UTM): 413,554 E & 4,365,155 N **SURFACE OWNER:** Monroe Trust

Geology/Ground Water:

A review of the water resources in this area revealed 1 water right filed with the Division of Water Rights. The Goldens Ranch Formation is a conglomerate and sandstone which is only moderately permeable and the surface casing should be sufficient to protect any drinking water supplies in this area. There are no known USDW's in this part of the state that will be impacted by the drilling of this well. Geologically the location is on the Goldens Ranch Formation a deposit of conglomerate and sandstone light pink to light gray, the conglomerate is brown to dark brown.

Reviewer: K. Michael Hebertson

Date: 18 May 2001

Surface:

The area drains towards the southeast. Precipitation will be not be a problem as no real location will be built and the vegetation will stop any erosion problems. There are no known springs in one mile of this location. The site was photographed and characterized on 18 May 2001. Provision was made to ensure site rehabilitation, litter and waste control, preservation of drainage patterns and the integrity of local infrastructure, groundwater and other resources. The well is to be plugged and abandoned after drilling. The location was reviewed again on 25 2002. There are no major changes except for the size of the reserve pit. No new pictures were taken, however water issues with the surface owner have become a major issue.

Reviewer: K. Michael Hebertson

Date: 18 May 2001

Reviewer: K. Michael Hebertson

Date: 25 May 2002

Conditions of Approval/Application for Permit to Drill:

1. The access road will be planted and restored as required by Monroe Trust.
2. The pit will be lined, to receive production fluid.
3. A 2 foot freeboard must be maintained.
4. The location will be restored and all trash removed within 30 days after the well is drilled.

Well name:	05-02 Texaco MonroeTrust 1-7	
Operator:	Texaco E&P	Project ID:
String type:	Surface	43-023-30017
Location:	Juab County, Utah	

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 69 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 299 ft

Cement top:

Surface

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 140 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 262 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 3,000 ft
Next mud weight: 9.000 ppg
Next setting BHP: 1,403 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 300 ft
Injection pressure 300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	300	8.625	24.00	K-55	ST&C	300	300	7.972	14.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	131	1370	10.47	140	2950	21.03	7	263	36.53 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural Resources

Phone: (801) 538-5281
FAX: (801)359-3940

Date: May 6,2002
Salt Lake City, Utah

N/A.

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

05-02 Texaco MonroeTrust 1-7

Operator: **Texaco E&P**String type: **Production**

Project ID:

43-023-30017

Location: **Juab County, Utah****Design parameters:****Collapse**Mud weight: 9.000 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 114 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top:

1,358 ft

* Cement stop to 1000' min

BurstMax anticipated surface
pressure: 0 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 1,636 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.
Neutral point: 3,022 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3500	5.5	17.00	N-80	LT&C	3500	3500	4.767	120.6
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1636	6290	3.84	1636	7740	4.73	59	348	5.85 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural ResourcesPhone: (801) 538-5281
FAX: (801) 359-3940Date: June 10, 2002
Salt Lake City, Utah

N/A.

Collapse strength is based on the Westcott, Dunlop & Kemle method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/17/2001

API NO. ASSIGNED: 43-023-30017

AMENDED

WELL NAME: MONROE TRUST 1-7

OPERATOR: ~~WOLVERINE GAS & OIL~~ (N1655)CONTACT: ~~MARK DOLAR, AGENT~~

PHONE NUMBER: 801-561-3121

PROPOSED LOCATION:

SWNW 07 160S 010W

SURFACE: 1950 FNL 2900 FWL

BOTTOM: 1950 FNL 2900 FWL

JUAB

WILDCAT (1)

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: *North Horn*

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	<i>DPD</i>	<i>7/26/01</i>
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[4]
 (No. ~~19-10719-2~~ *6027949*)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5 (B) or 190-3
☒ Water Permit
 (No. 66-77)
☒ RDCC Review (Y/N)
 (Date: *Comments due 5-8-01*)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☒ R649-2-3. Unit _____
☒ R649-3-2. General
 Siting: 460 From Qtr/Qtr & 920' Between Wells
☐ R649-3-3. Exception
☐ Drilling Unit
 Board Cause No: _____
 Eff Date: _____
 Siting: _____
☐ R649-3-11. Directional Drill

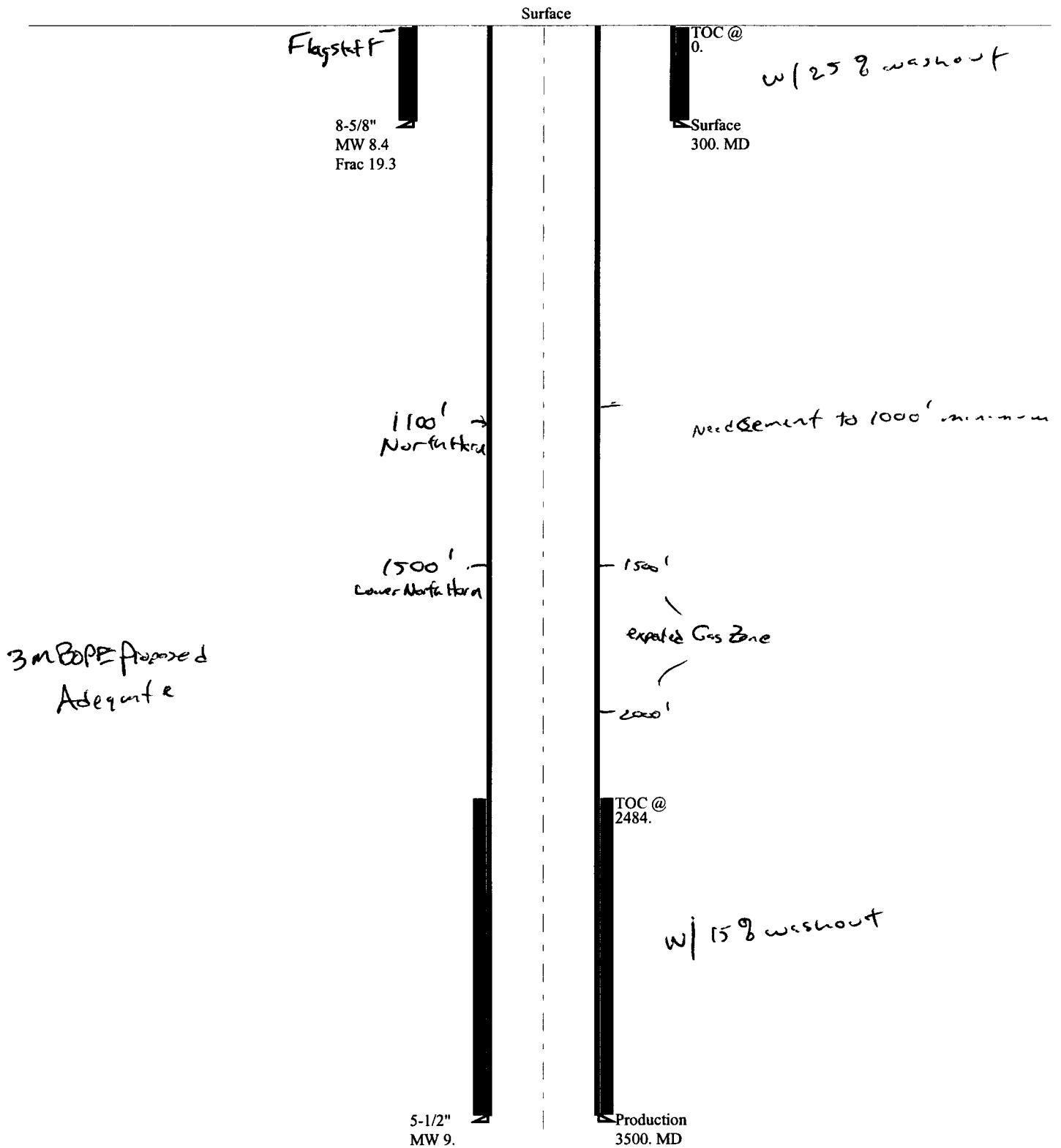
COMMENTS:

Need Presite. (5-18-01)

STIPULATIONS:

① SURFACE CASING GROUT STIP.
 ② COA TO Plug and Abandon well Applies
 ③ STATEMENT OF BASIS

05-02 Texaco Monroe Truss-7
Casing Schematic



Well name:

05-02 Texaco Monroe Trust 1-7Operator: **Texaco E&P**String type: **Production**

Project ID:

43-023-30017

Location: **Juab County, Utah****Design parameters:****Collapse**

Mud weight: 9.000 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 114 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Cement top: 2,484 ft

Burst

Max anticipated surface pressure: 0 psi

Internal gradient: 0.468 psi/ft

Calculated BHP 1,636 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.

Neutral point: 3,022 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3500	5.5	17.00	N-80	LT&C	3500	3500	4.767	120.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1636	6290	3.84	1636	7740	4.73	59	348	5.85 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural ResourcesPhone: (801) 538-5281
FAX: (801)359-3940Date: May 6,2002
Salt Lake City, Utah

N/A.

Collapse strength is based on the Westcott, Dunlop & Kemle method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

05-02 Texaco MonroeTrust 1-7Operator: **Texaco E&P**String type: **Surface**

Project ID:

43-023-30017

Location: **Juab County, Utah****Design parameters:****Collapse**

Mud weight: 8.400 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 69 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 299 ft

Cement top: Surface

BurstMax anticipated surface
pressure:

0 psi

Internal gradient: 0.468 psi/ft

Calculated BHP 140 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 262 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 3,000 ft

Next mud weight: 9.000 ppg

Next setting BHP: 1,403 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 300 ft

Injection pressure 300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	300	8.625	24.00	K-55	ST&C	300	300	7.972	14.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	131	1370	10.47	140	2950	21.03	7	263	36.53 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural ResourcesPhone: (801) 538-5281
FAX: (801)359-3940Date: May 6,2002
Salt Lake City, Utah

N/A.

Collapse strength is based on the Westcott, Dunlop & Kemle method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

05-01 Wolverine Monroe 1-7Operator: **Wolverine Gas and Oil Corp.**String type: **Surface**

Project ID:

43-023-30017Location: **Juab County, Utah****Design parameters:****Collapse**

Mud weight: 8.330 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 68 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 100 ft

Cement top: 66 ft

Burst

Max anticipated surface pressure:

0 psi

Internal gradient: 0.433 psi/ft

Calculated BHP 86 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.

Neutral point: 175 ft

Re subsequent strings:

Next setting depth: 2,000 ft

Next mud weight: 8.330 ppg

Next setting BHP: 865 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 200 ft

Injection pressure 200 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	200	4.5	11.60	K-55	ST&C	200	200	3.875	4.6
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	86	4960	<u>57.37</u>	86	5350	<u>61.88</u>	2	170	<u>73.35 J</u>

Prepared by: Dustin K. Doucet
Utah Dept. of Natural ResourcesPhone: (801) 538-5281
FAX: (801)359-3940Date: July 2,2001
Salt Lake City, Utah**ENGINEERING STIPULATIONS - Surface Cement Stip.**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

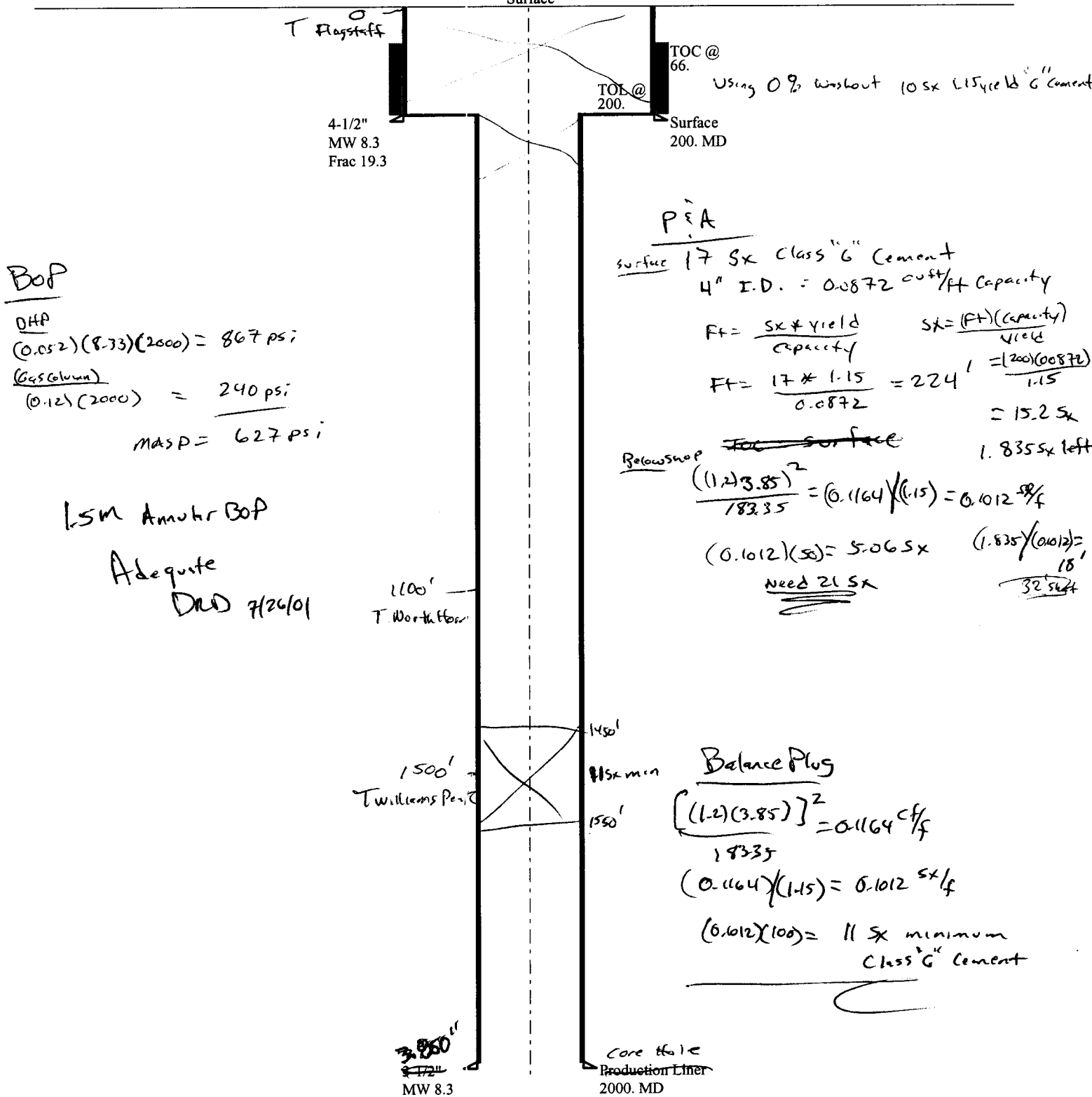
Collapse is based on a vertical depth of 200 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

05-01 Wolverine Monroe 1

Casing Schematic



Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File Wolverine
1-36 1-7
(Loc.) Sec Twp Rng.
(API No.)

☐ Suspense
(Return Date)
(To-Initials)

☐ Other

1. Date of Phone Call: 7/05/01 Time: 11:50

2. DOGM Employee (name) Doug DUCET (☒ Initiated Call) 10:25
Talked to:
Name MARK DEAN (☐ Initiated Call) - Phone No. (801) 561-3121
of (Company/Organization)

3. Topic of Conversation: Protecting Williams Peak Coals and Perosip Zones
Mention of Non Corrosive Fluids

4. Highlights of Conversation: Will contact Wolverine with concerns
They will provide their method for protecting coals
7/12 4:20 p.m. Mark called back w/ questions about exact requirements (left message)
7/12 4:40 p.m. Returned call (left message) told him surface casing
needed cemented as previously proposed (200ft plug to surface)
and also 100' plug across Williams Peak coals and
any other producing formations w/ plugging fluid in between.
7/23/01 12:45 Left message w/ secretary, Mark to call me. 1:00 Mark called,
Told him Lcm wouldn't satisfy plugging, but w/ cement plug strip I could
probably approve APD. He consented. Also told him about Bentrite
plugging which could hold valve in plugging shallow wells. New APD received 7/19/01

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Wolverine Gas & Oil Corporation
WELL NAME & NUMBER: Monroe Trust 1-7 **API NUMBER:** 43-023-30017
LEASE: Fee **FIELD/UNIT:** Wildcat
LOCATION: 1/4,1/4 NW NW Sec: 7 TWP: 16 S RNG: 1 W 2900 F W L 1950 F N L
LEGAL WELL SITING: 660 **Lease Line Setback and** 1320 **From another well.**
GPS COORD (UTM): 413,554 E & 4,365,155 N **SURFACE OWNER:** Monroe Trust

PARTICIPANTS:

Mike Hebertson (DOGM) Mark Dolar (Wolverine) Vernon Monroe, Vincent Monroe, Terry Monroe, (Monroe Family Trust Surface Owners.)

REGIONAL/LOCAL SETTING & TOPOGRAPHY:

This location is in the eastern most edge of the basin and range province west of the overthrust belt, in an area of up thrown mountains and downthrown valleys, Juab Valley being the predominate valley and the San Pitch Mountains to the east are the predominate Mountains. The local topography is low rolling hills with alluvium filled valleys. The location itself sits on a south facing exposure of Oligocene Goldens Ranch Formation, in the foothills of a range known as the South Hills.

SURFACE USE PLAN:

CURRENT SURFACE USE: The area is currently being used for livestock grazing and wildlife.

PROPOSED SURFACE DISTURBANCE: The proposed location has been given no dimensions.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: There are no wells proposed or drilled within a mile of the location

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: There will be no pipelines or facilities required for this location.

SOURCE OF CONSTRUCTION MATERIAL: There will be no materials brought into location and none will be removed. A small pit will be allowed which will be back filled when the well is plugged.

ANCILLARY FACILITIES: There will be no Ancilliary Facilities

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. Crude oil production is unlikely. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Produced water will be gathered to the evaporation pit and eventually injected into the Navajo Sandstone via a RGC-operated salt water disposal well. Used oil from drilling operations and support is hauled to a used oil facility and reused.

ENVIRONMENTAL PARAMETERS:

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Lower Sonoran Pinion/Juniper Community flora and fauna to match.

SOIL TYPE AND CHARACTERISTICS: The soil is a very fine clay with minor amounts of sand light tan to redish brown in color.

EROSION/SEDIMENTATION/STABILITY: The location will be stable.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT:

CHARACTERISTICS: A small outboard pit 20 X 6 X 4, not specified in the APD.

LINER REQUIREMENTS (Site Ranking Form attached): None Required

SURFACE RESTORATION/RECLAMATION PLAN: As stated in the lease agreement executed with the Monroe family.

SURFACE AGREEMENT: Issued as part of the Lease. Restoration will be as required by SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: Cleared and filed with the State Historical Society.

OTHER OBSERVATIONS/COMMENTS:

The family representatives had much to say about the use of their land and indicated that the agreement had not been signed for this well to be placed on their land. They were very upset about the way the Kern River Pipeline and UP&L use and abuse the rights-of-way they have been granted. The surface use agreement had not been signed for this well at the time of the Pre-Site.

ATTACHMENTS:

Photographs were taken and the location was typed on the date stated below.

K. Michael Hebertson
DOGM REPRESENTATIVE

18, May 2001 10:30 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Core
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>10</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud	15	
Fluid containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
<u>Final Score</u> (level II sensitivity)		<u>25</u>

Sensitivity Level I = 20 or more total containment is required.
Sensitivity Level II = 15-19 lining is discretionary.
Sensitivity Level III = below 15 no specific lining is required.

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: Wolverine Gas & Oil Corporation

WELL NAME & NUMBER: Monroe Trust 1-7 **API NUMBER:** 43-023-30017

LEASE: Fee **FIELD/UNIT:** Wildcat

LOCATION: 1/4, 1/4 NW NW **Sec:** 7 **TWP:** 16 S **RNG:** 1 W **2900 F W L 1950 F N L**

LEGAL WELL SITING: 660 **Lease Line Setback and** 1320 **From another well.**

GPS COORD (UTM): 413,554 E & 4,365,155 N **SURFACE OWNER:** Monroe Trust

Geology/Ground Water:

A review of the water resources in this area revealed 1 water right filed with the Division of Water Rights. The Goldens Ranch Formation is a conglomerate and sandstone which is only moderately permeable and the surface casing should be sufficient to protect any drinking water supplies in this area. There are no known USDW's in this part of the state that will be impacted by the drilling of this well. Geologically the location is on the Goldens Ranch Formation a deposit of conglomerate and sandstone light pink to light gray, the conglomerate is brown to dark brown.

Reviewer: K. Michael Hebertson

Date: 18 May 2001

Surface:

The area drains towards the southeast. Precipitation will be not be a problem as no real location will be built and the vegetation will stop any erosion problems. There are no known springs in one mile of this location. The site was photographed and characterized on 18 May 2001. Provision was made to ensure site rehabilitation, litter and waste control, preservation of drainage patterns and the integrity of local infrastructure, groundwater and other resources. The well is to be plugged and abandoned after drilling.

Reviewer: K. Michael Hebertson

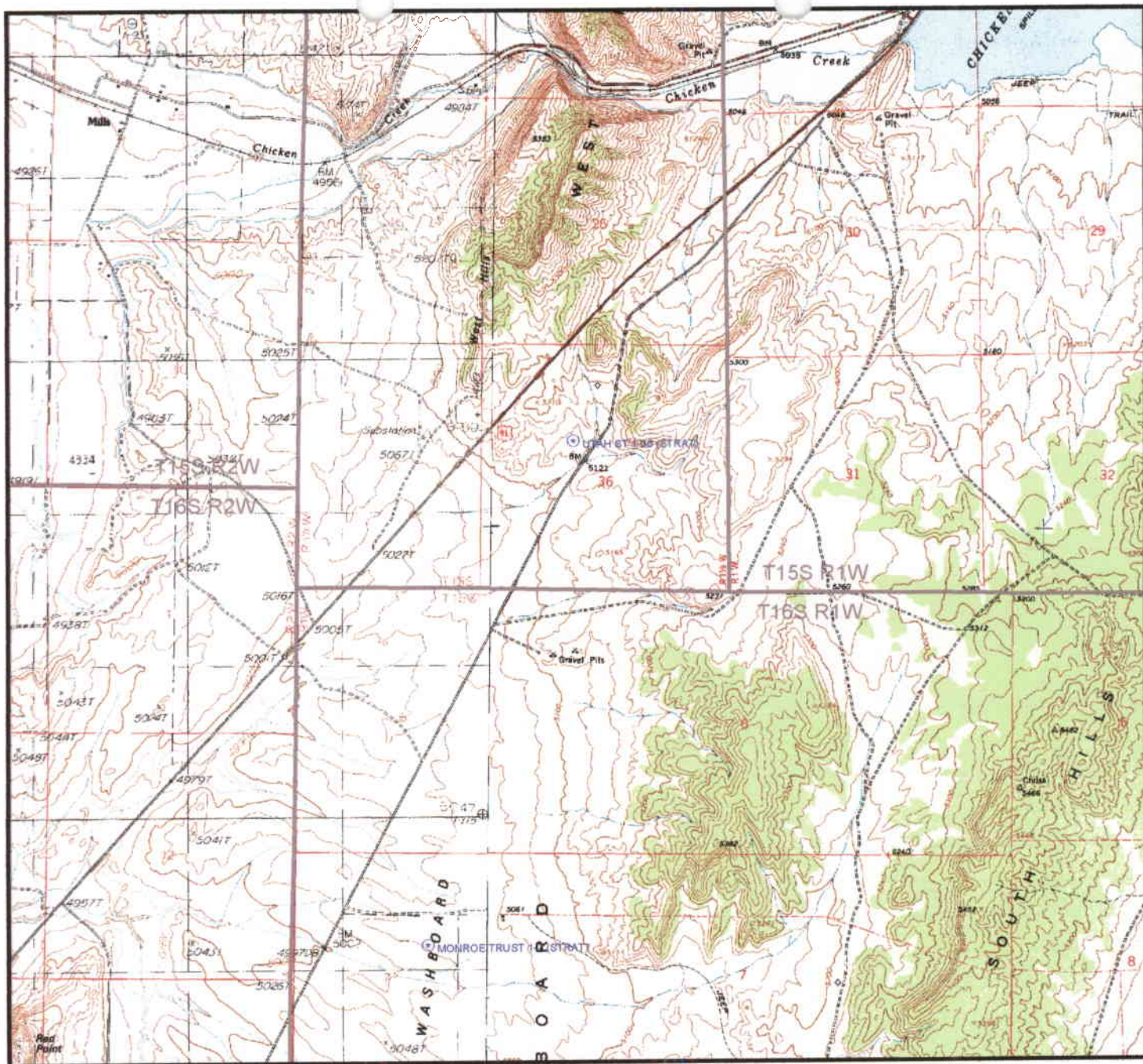
Date: 18 May 2001

Conditions of Approval/Application for Permit to Drill:

1. The access road will be planted and restored as required by Monroe Trust.
2. The pit will not be lined, however it will be closed immediately after the well is drilled.
3. The well will be plugged before the rig is moved off.
4. The location will be restored and all trash removed within 30 days after the well is drilled.

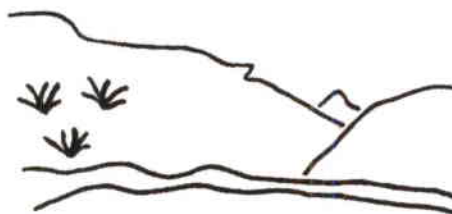


Wolverine Gas & Oil, Monroe Trust 1-7, SEC. 7, T16S, R1W, JUAB COUNTY, API 43-023-30017



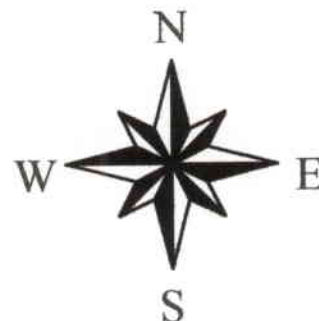
Well Status

- ◊ GAS INJECTION
- ◊ GAS STORAGE
- × LOCATION ABANDONED
- ⊙ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- ◊ SHUT-IN GAS
- ◊ SHUT-IN OIL
- × TEMP. ABANDONED
- ◊ TEST WELL
- ◊ WATER INJECTION
- ◊ WATER SUPPLY
- ◊ WATER DISPOSAL
- Sections
- Township

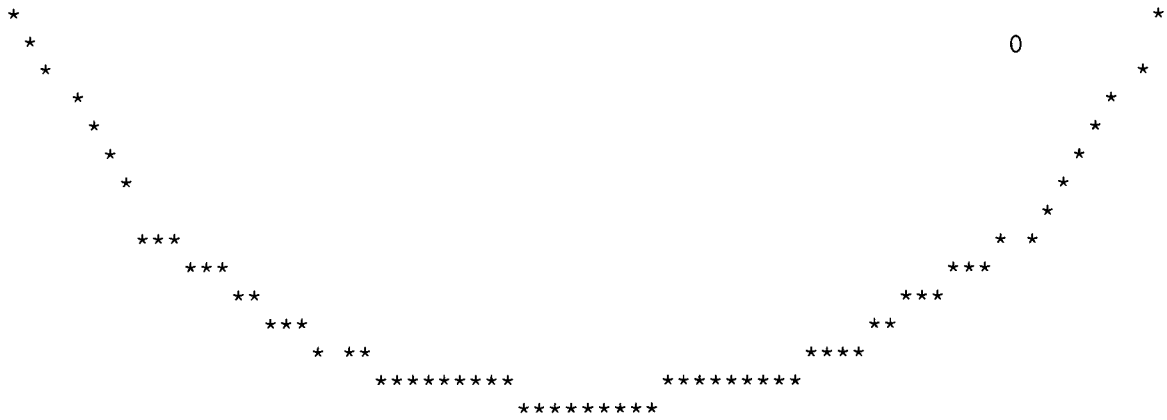


Utah Oil Gas and Mining

The Division of Oil, Gas & Mining does not warrant or guarantee the accuracy of any data or information contained herein, and is not responsible for the accuracy of data not under its immediate control. The customer has requested data to be projected where there is no official survey, it is not to be used as reliable data.



Prepared By: K. M. Hebertson
Date: -Mar-2001



UTAH DIVISION OF WATER RIGHTS
NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP	WATER		CFS	QUANTITY		SOURCE DESCRIPTION or WELL INFO					POINT OF DIVERSION DESCRIPTION							
CHAR	RIGHT			AND/OR	AC-FT	DIAMETER	DEPTH	YEAR	LOG	NORTH	EAST	CNR	SEC	TWN	RNG	B&M		

0	66	77	.0074		.00	6	244	1964	Y	N	4054	E	4571	SW	7	16S	1W	SL
WATER USE(S): STOCKWATERING											PRIORITY DATE: 07/31/19							
USA Bureau of Land Management											Richfield							

Counties Affected:

Description: Availability of a Draft Environmental Assessment on the Proposal to Establish Operational/Experimental General Swan Hunting Seasons in the Pacific Flyway. Federal Register Notice dated 4/25/01, page 20828.

☐ Will Comment Comments Due to GOPB 05/18/2001

Project Number: 699

Sponsor: DOI/U.S. Geological Survey

SLB&M:

Counties Affected:

Description: Federal Geographic Data Committee (FGDC); Public Review of the U.S. National Grid Standard. Federal Register Notice dated 4/20/01, page 20323.

☐ Will Comment Comments Due to GOPB 06/15/2001

FERC

Project Number: 705

Sponsor: FERC/Sunrise Engineering, Inc

SLB&M:

Counties Affected:

Description: Center Creek Hydroelectric Project No. P-1273-UT - Application for license; first stage of consultation.

☐ Will Comment Comments Due to GOPB 05/16/2001

Project Number: 707

Sponsor: FERC/PacifiCorp

SLB&M:

Counties Affected: Weber

Description: Pioneer Hydroelectric Project No. 2722-009 - Order Rehearing and Denying Stay

Comments Due to Sponsor 04/23/2001

Short Turn Around

Project Number: 714

Sponsor: Division of Oil, Gas and Mining

SLB&M: Sec. 7, T16S, R1W

Counties Affected: Juab

Description: Wolverine Gas and Oil Corporation proposes to drill a stratigraphic test hole identified as Monroe Trust 1-7 on a fee lease.

Comments Due to Sponsor 05/08/2001

Project Number: 713

Sponsor: Division of Oil, Gas and Mining

SLB&M: Sec. 36, T15S, R1.5W

Counties Affected: Juab

Description: Wolverine Gas and Oil Corporation proposes to drill a stratigraphic test hole identified as Utah State 1-36 on State lease ML 48428.

Comments Due to Sponsor 05/08/2001

Project Number: 712

Sponsor: Division of Oil, Gas and Mining

SLB&M: Sec. 36, T12S, R25E

Counties Affected: Uintah

Description: CDX Rockies, LLC proposes to drill a stratigraphic test hole identified as Displacement Point 36-12-25 on State lease ML 46435.

Comments Due to Sponsor 05/08/2001

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

		5. Lease Designation and Serial Number: Fee	
		6. If Indian, Allottee or Tribe Name: N/A	
1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		7. Unit Agreement Name: N/A	
B. Type of Well: OIL <input type="checkbox"/> GAS OTHER: Strat Test SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name: Monroe Trust	
2. Name of Operator: Wolverine Gas and Oil Corporation		9. Well Number: Monroe Trust 1-7	
3. Address and Telephone Number: One Riverfront Plaza (616)458-1150 Grand Rapids, MI 49503-2616		10. Field and Pool, or Wildcat: Wildcat	
4. Location of Well (Footages) At Surface: 2900 FWL 1950 FNL 436555N At Proposed Producing Zone: same 413554E		11. Qtr/Qtr, Section, Township, Range, Meridian: Lot 13, Sec 7, T16S, R1W, SLM	
14. Distance in miles and direction from nearest town or post office: Approx 12 miles southwest of Levan, UT		12. County: Juab	13. State: UTAH
15. Distance to nearest property or lease line (feet): 1950'	16. Number of acres in lease: 1276.30	17. Number of acres assigned to this well: 160.00	
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): N/A	19. Proposed Depth: 2000 ft	20. Rotary or cable tools: Rotary	
21. Elevations (show whether DF, RT, GR, etc.): 5042 GR		22. Approximate date work will start: March 15, 2001	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	6-5/8"	32 lbs/ft	100'	134 gallons of Class "A"
6"	4-1/2"	11.6 lbs/ft	1,100'	707 gallons of Class "G"
3.850"	Open hole	-----	2,000'	

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

The hole plan will be as follows:

0-100' 8-3/4" hole 6-5/8" casing, 32 lbs/ft K55 ST&C

Set Diverter

Rotary Drill 100 feet to 1,100 feet, 6" hole, Set 4-1/2" x 4" casing, 11.6 lbs/ft K55 ST&C
Core Using HMCQ Wireline Retrieved Core Barrel, 1,100 feet to 2,000' (3.850 Hole x 2.5" core)

Plug and Abandon and reclaim surface.

Collateral Bond is held by Director of the Division of Oil, Gas & Mining by Certificate of Deposit held with Brighton Bank, Account # 19-10719-2. (See attached copy)

24. Name & Signature: <u>Mark S. Dolar</u>	Title: <u>Agent</u>	Date: <u>2/16/01</u>
(801) 561-23121		

(This space for State use only)

API Number Assigned: 43-023-30017

Approval:

RECEIVED

APR 17 2001

DIVISION OF
OIL, GAS AND MINING

Section 7, 16 S., R.1W., S.L.B.& M.

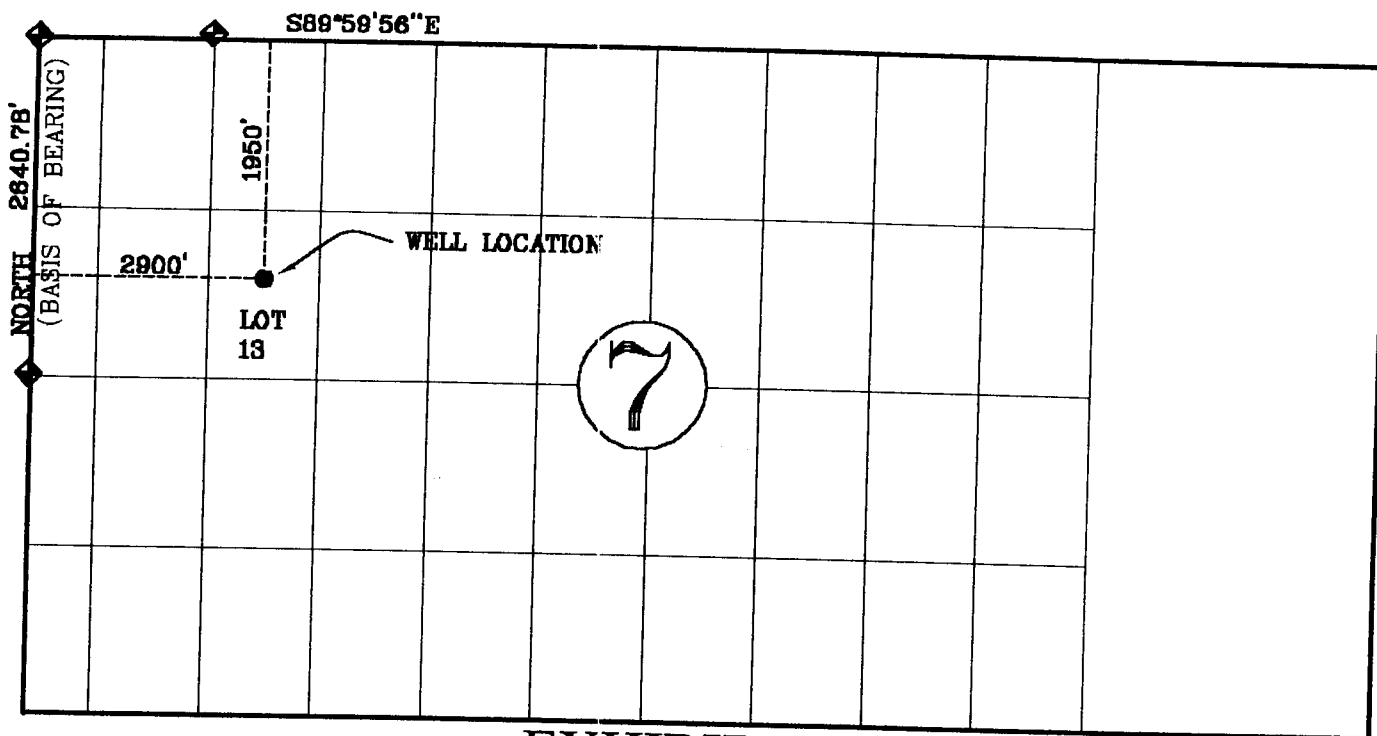


EXHIBIT 'A'

BASIS OF BEARING

NORTH ALONG
THE WEST
SECTION LINE.

LEGEND

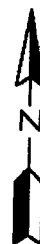
- = WELL LOCATION
- ◈ = MONUMENTED SECTION CORNER
- ◆ = UNMONUMENTED SECTION CORNER

CERTIFICATION

I, STEPHEN L. LUDLOW, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND THAT I HOLD CERTIFICATE NO. 152774 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT A SURVEY HAS BEEN MADE OF THE LAND SHOWN AND DESCRIBED HEREON. I FURTHER CERTIFY THAT THIS SURVEY IS A CORRECT REPRESENTATION OF THE LAND SURVEYED AND HAS BEEN PREPARED IN CONFORMITY WITH THE MINIMUM STANDARDS AND REQUIREMENTS OF THE LAW.

Stephen L. Ludlow
STEPHEN L. LUDLOW

4-4-01
DATE:



PLAT PREPARED BY

LUDLOW ENGINEERING
645 NORTH MAIN STREET
NEPHI, UTAH, 84648
PHONE 623-0897

FILE NUMBER LR1002

WELL LOCATION PLAT FOR

WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7

TOWNSHIP 16 SOUTH, RANGE 1 WEST, SLBM
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH

006



Phone: (801) 561-3121
Fax: (801) 561-3133

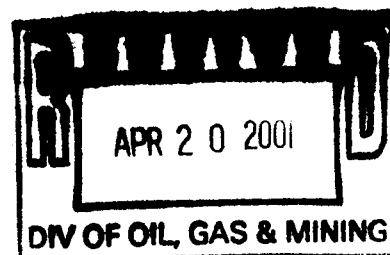
DOLAR ENERGY L.L.C.

935 East South Union Avenue
Suite D-202
Midvale, UT 84047-2393

April 20, 2001

Lesha Cordova
State of Utah
Division of Oil, Gas and Mining
Salt Lake City, Utah

FAX: 359-3940



RE: Surface Owner - Monroe Trust 1-7 Well

Dear Lesha:

The surface owner for the Monroe Trust 1-7 well which you requested is as follows:

Sarah Loraine Monroe, Trustee of the Sarah Loraine Monroe Family Living Trust,
dated November 10, 1982 and Trustee of the James Merlin Monroe Family
Living Trust, dated November 10, 1982
P. O. Box 560052
Scipio, Utah 84656

Should there be any further questions, do not hesitate to contact me.

Sincerely yours,

DOLAR ENERGY LLC

Mark S. Dolar - CPL/ESA

MSD/kvw

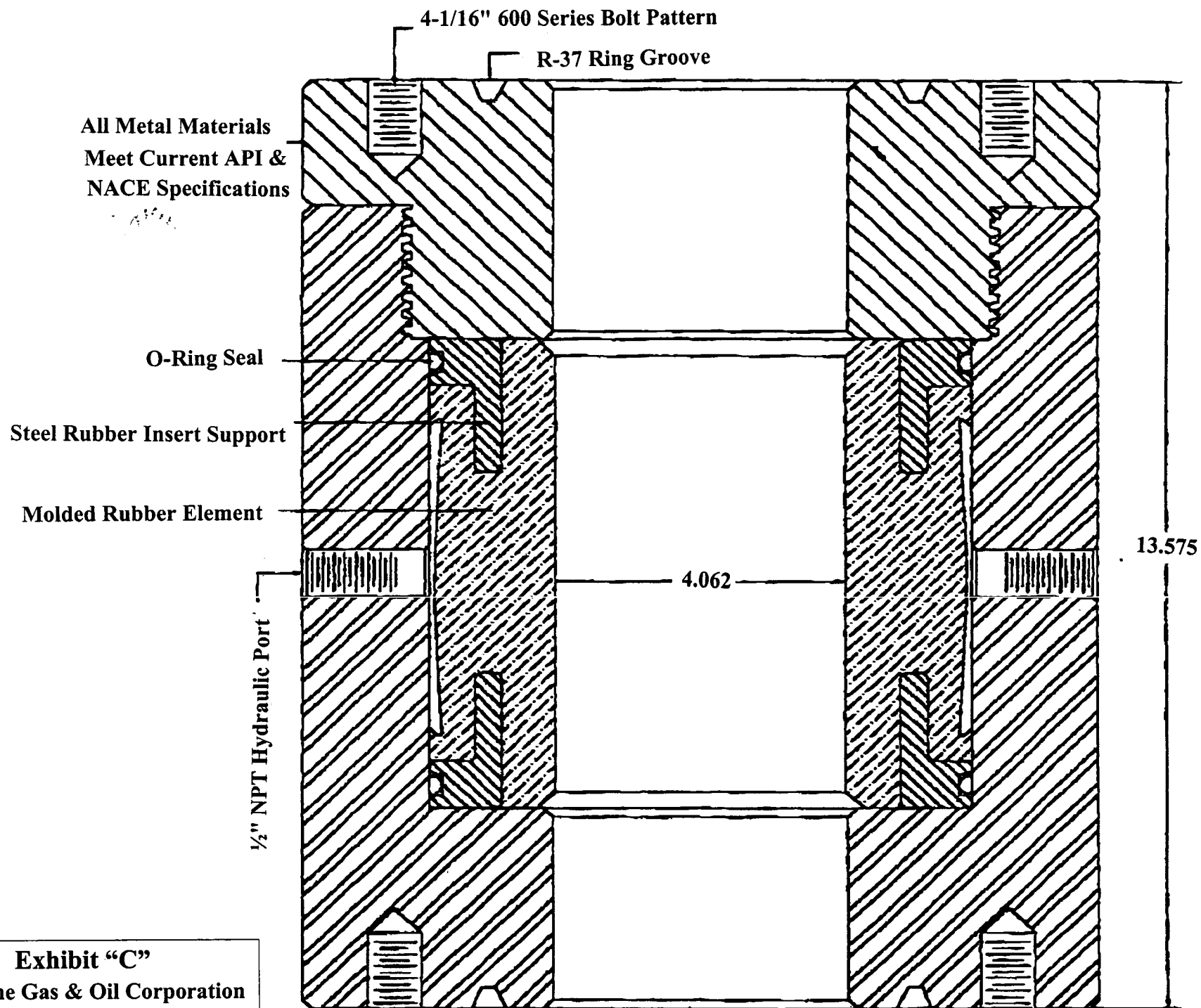


Exhibit "C"

Wolverine Gas & Oil Corporation

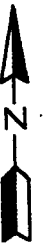
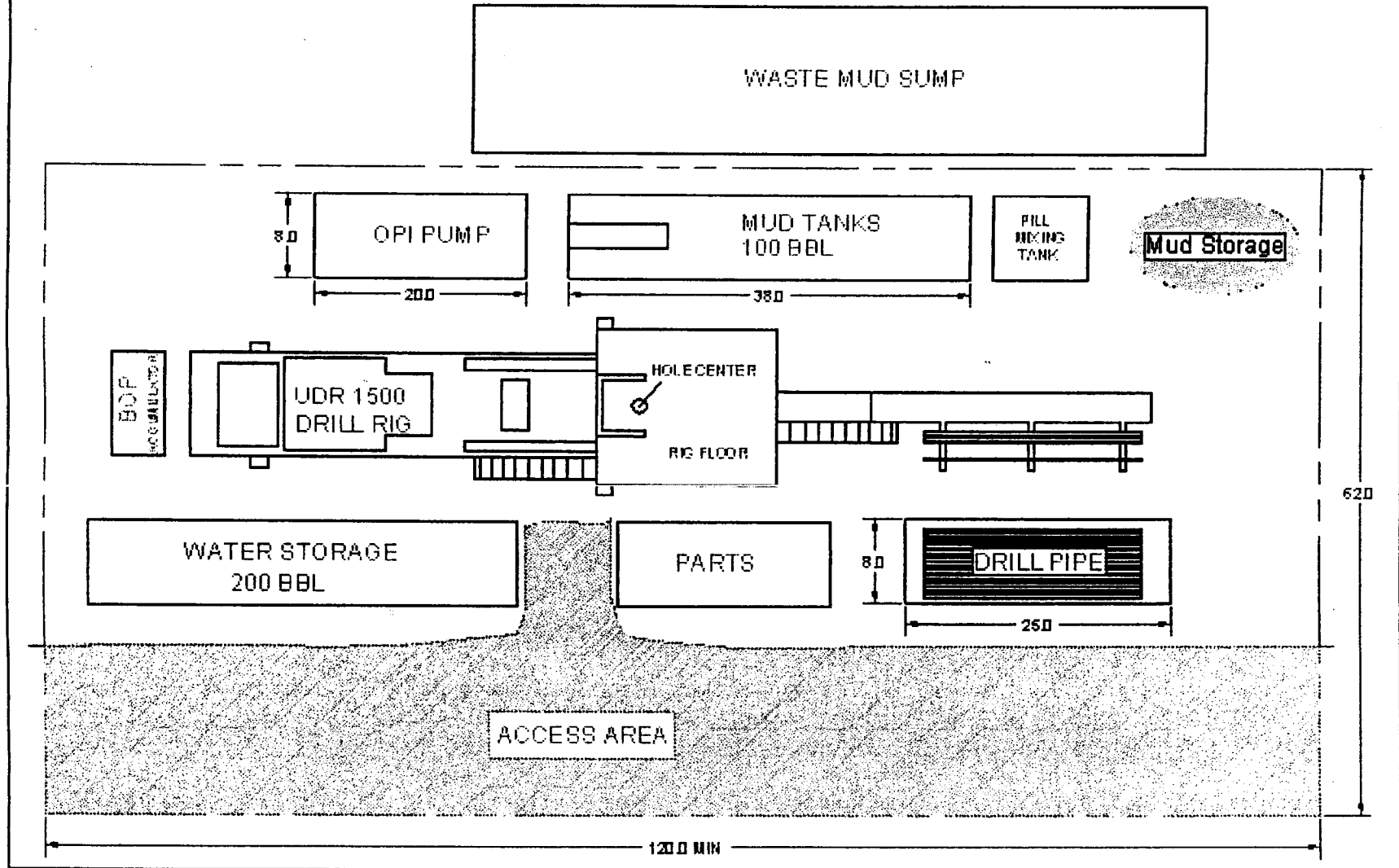
Diverter for Use in Coal Bed

Methane Coring Operations

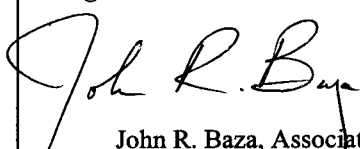
TRIPPLE M OIL TOOL TM/PZ 4-1/16 Annular Type BOP

EXHIBIT "D"

UDR 1500 SITE



STATE ACTIONS
State Clearinghouse Coordinator
116 State Capitol, SLC, UT 84114
538-1535

1. Administering State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. State Application Identifier Number: (assigned by State Clearinghouse) 3. Approximate date project will start: Upon Approval
4. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Six County Association of Governments	
5. Type of action: // Lease /X/ Permit // License // Land Acquisition // Land Sale // Land Exchange // Other _____	
6. Title of proposed action: Application for Permit to Drill	
7. Description: Wolverine Gas and Oil Corporation proposes to drill a stratigraphic test hole identified as Monroe Trust 1-7 on a Fee lease, Juab County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
8. Land affected (site location map required) (indicate county) Lot 13, Section 7, Township 16 South, Range 1 West, Juab County, Utah	
9. Has the local government(s) been contacted? No	
10. Possible significant impacts likely to occur: Minimal and temporary impact is anticipated as this hole is being drilled only to obtain scientific and geologic data.	
11. Name and phone of district representative from your agency near project site, if applicable: 	
12. For further information, contact: Lisha Cordova Phone: (801) 538-5296	13. Signature and title of authorized officer  John R. Baza, Associate Director Date: April 20, 2001

From: Gary Ogborn
To: Michael Hebertson
Date: Monday, May 14, 2001 11:45:47 AM
Subject: presite visit

I have used the GIS data base and staff information here in the Central Region Office to analyze wildlife impacts for the Strat tests proposed by Wolverine Gas and Oil Corp. We have identified no wildlife impacts within a mile of the sections you provided via email on 5-8-01. In light of this analysis, I will not be attending the pre-site visit this week. If you have any questions or need more information, please feel free to contact me email, or phone (801) 491-5653.

Gary L. Ogborn
Habitat Biologist
"nrdwr.gogborn@state.ut.us"

Division of Wildlife Resources
Central Region Office
1115 N Main
Springville, UT 84058

(801) 491-5653 DESK/voice mail
(801) 491-5646 FAX

CC: Doug Sakaguchi

004



Phone: (801) 561-3121
Fax: (801) 561-3133

DOLAR ENERGY L.L.C.

935 East South Union Avenue
Suite D-202
Midvale, UT 84047-2393

June 28, 2001

Mike Hebertson
Utah Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Re-filing of Monroe Trust 1-7 well
T16S,R1W - Sec 7: Lot 13

Utah State 1-36
T15S,R1.5W - Sec 36: SENW

Dear Mike:

Enclosed please find corrected Application for Permit to Drill for the above referenced wells to be drilled by Wolverine Gas and Oil Corporation. The down hole program has been changed, the BOP diverter diagram is different and a plugging and abandoning program is included.

Please review the corrected program, and if all is acceptable, approve the APD's.

Your attention to this matter is appreciated.

Sincerely yours,

DOLAR ENERGY LLC

Mark S. Dolar, CPL/ESA

RECEIVED

JUN 29 2001

DEPARTMENT OF
OIL, GAS AND MINES

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease Designation and Serial Number: Fee
B. Type of Well: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER: Strat Test SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name: N/A
2. Name of Operator: Wolverine Gas and Oil Corporation		7. Unit Agreement Name: N/A
3. Address and Telephone Number: One Riverfront Plaza (616) 458-1150 Grand Rapids, MI 49503-2616		8. Farm or Lease Name: Monroe Trust
4. Location of Well (Footages) At Surface: 2900 FNL 1950 FNL At Proposed Producing Zone: same		9. Well Number: Monroe Trust 1-7
14. Distance in miles and direction from nearest town or post office: Approximately 12 miles southwest of Levan, UT		10. Field and Pool, or Wildcat: Wildcat
15. Distance to nearest property or lease line (feet): 1950'	16. Number of acres in lease: 1276.30	11. Qtr/Qtr, Section, Township, Range, Meridian: Lot 13, Sec 7, T16S, R1W, SLM
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): N/A	19. Proposed Depth: 2000 ft.	12. County: Juab
21. Elevations (show whether DF, RT, GR, etc.): 5042 GR		13. State: UTAH
20. Rotary or cable tools: Rotary		22. Approximate date work will start: March 15, 2001

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
6"	4-1/2"	11.6 lbs/ft.	200'	10 sacks of Class "G"
3.850"	Open hole	-----	2,000'	

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

The hole plan will be as follows:

0-200' 6" hole 4-1/2" casing 11.6 lbs/ft K55 ST&C
Set Diverter
Rotary Drill 200 feet to 2,000 feet
Core using HMCQ wireline retrieved core barrel, 200' feet to 2,000' (3.850 hole
X 2.5" core)
Plug and abandon and reclaim surface.

Collateral Bond is held by Director of the Division of Oil, Gas & Mining by Certificate of Deposit held with Brighton Bank, Account # 19-10719-2. (See attached copy)

24.

Name & Signature:

Mark S. Dolar

(801) 561-3121

Title:

Agent

Date: 2/16/01

(This space for State use only)

API Number Assigned: _____

Approval: _____

RECEIVED

JUN 29 2001

DIVISION OF
OIL, GAS AND MINING

Wolverine Gas & Oil
Monroe Trust 1-7
Surface Location:
2900' FWL & 1950' FNL
Section 7: Lot 13, Township 16 South, Range 1 West
Juab County, Utah

All lease operations will fully comply with applicable laws, regulations (R649-3), the Utah Oil & Gas Conservation General Rules. The operator, Wolverine Gas & Oil Corporation, is fully responsible for the actions of its subcontractors. Wolverine Gas & Oil Corporation will furnish a copy of these conditions to its field representative to ensure compliance.

Drilling Program

Surface Formation and Estimated Formations Tops:

All depths are true vertical and based on a ground level of 5,042 feet, except where noted. Ground Level ("GL") is from enclosed survey.

Formation	Depth From GL (feet)
Flagstaff	0
North Horn	1,100
Williams Peak	1,500
TOTAL DEPTH	2,000

The mud program for the well will be fresh water and high yield Wyoming Bentonite. Polymers may be added when necessary.

Estimated Depth at which oil, gas, water or other mineral bearing zones are expected to be encountered.

The primary objective of this well is to log and test the potential of the Williams Peak formation and associated coal seams at the depths of 1,500 feet to 2,000 feet. All shows of fresh water and gas will be reported and protected. The well will be cored, then plugged and abandoned pursuant to regulations of the Conservation requirements.

R649-3-7 BOP Equipment

All BOPE will be tested pursuant to R649-3-7 of the Conservation Rules. Minimum specifications for pressure control equipment are as follows:

Ram Type: Torous Type K stripper will be used with annular, 1,500 p.s.i., complete with nitrogen powered fail-safe backup.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. BOPE schematic diagram is attached as Exhibit "C".

Casing Program

Pursuant to R649-3-8 of the Conservation Rules, the casing program (as described on Form 3 herein) shall be by pump and plug method. All surface strings will be cemented throughout their lengths. All horizons penetrated will be protected.

The surface casing will be cemented with 10 sacks of Class "G" cement.

The casing program will protect any potential oil and gas horizons, and water zones, and stop any migration or infiltration of water from other sources and to prevent migration of oil, gas and water from one horizon to another.

Pursuant to R649-3-12, hydrogen sulfide is not expected to be encountered while drilling this well.

Integrity tests, pursuant to R649-3-13, will be conducted on casing at the appropriate times, determined by the Division of Oil, Gas and Mining.

OTHER

Pursuant to R649-3-14, all rubbish and debris shall be kept at least 100 feet from well location, tanks or any structures. All trash will be kept in containers on the well site, and will be hauled away at the completion of drilling operations.

All reasonable precautions pursuant to R649-3-15 shall be taken to avoid pollution.

A small reserve pit for waste mud will be located at the south end of the well site plan. The pit will be eight feet x eighteen feet and located on the west side of the site layout, and will be four feet deep, and hold up to 200 barrels of fluids. Unless otherwise directed at the pre-drill site evaluation, the pit will not be lined. Rules pursuant to R649-3-16 will be followed regarding the pit.

Upon completion of drilling and coring the well will be plugged and abandoned pursuant to R649-3-24, and the surface will be restored pursuant to R649-3-34. Anticipated plan for plugging includes cementing the entire surface casing from 200' below the surface to the surface using 17 sacks of Class "G" cement.

Surface Use Plan:

A diagram for the surface site plan is attached as Exhibit "D". A truck mounted rig will be used. Leveling of surface for location site and surface disturbance of a well pad and access road will not be required.

Water




Water for drilling will be purchased and hauled to location and stored in storage tanks. Water will be acquired from State Permit #66-77 owned by the Bureau of Land Management. Location of point of diversion is North 4054' and East 4571' from the Southwest Corner of Section 7, Township 16 South, Range 1 West. Waste water will not be discharged at site and the well will not require a waste water management plan.

Topographic map of the Washington, Idaho area. The map shows a proposed entry to a location and a well location. Key features include:

- County Access Road**: A road running diagonally across the map.
- Proposed Entry to Location**: A dashed line indicating a proposed path.
- Well location**: A point marked with a cross and labeled "Well location".
- BM 5002**: A benchmark point.
- Drill Hole**: A point marked with a cross and labeled "Drill Hole".
- Contour Lines**: Lines representing elevation, with labels such as 4970T, 5041T, 5043T, 5048T, 5060, 5061, 5062, 5063, 5064, 5065, 5066, 5067, 5068, 5069, 5070, 5071, 5072, 5073, 5074, 5075, 5076, 5077, 5078, 5079, 5080, 5081, 5082, 5083, 5084, 5085, 5086, 5087, 5088, 5089, 5090, 5091, 5092, 5093, 5094, 5095, 5096, 5097, 5098, 5099, 5100.
- Grid**: A grid system with labels such as 5024T, 5025T, 5026T, 5027T, 5028T, 5029T, 5030T, 5031T, 5032T, 5033T, 5034T, 5035T, 5036T, 5037T, 5038T, 5039T, 5040T, 5041T, 5042T, 5043T, 5044T, 5045T, 5046T, 5047T, 5048T, 5049T, 5050T, 5051T, 5052T, 5053T, 5054T, 5055T, 5056T, 5057T, 5058T, 5059T, 5060T, 5061T, 5062T, 5063T, 5064T, 5065T, 5066T, 5067T, 5068T, 5069T, 5070T, 5071T, 5072T, 5073T, 5074T, 5075T, 5076T, 5077T, 5078T, 5079T, 5080T, 5081T, 5082T, 5083T, 5084T, 5085T, 5086T, 5087T, 5088T, 5089T, 5090T, 5091T, 5092T, 5093T, 5094T, 5095T, 5096T, 5097T, 5098T, 5099T, 5100T.

Washington, Idaho

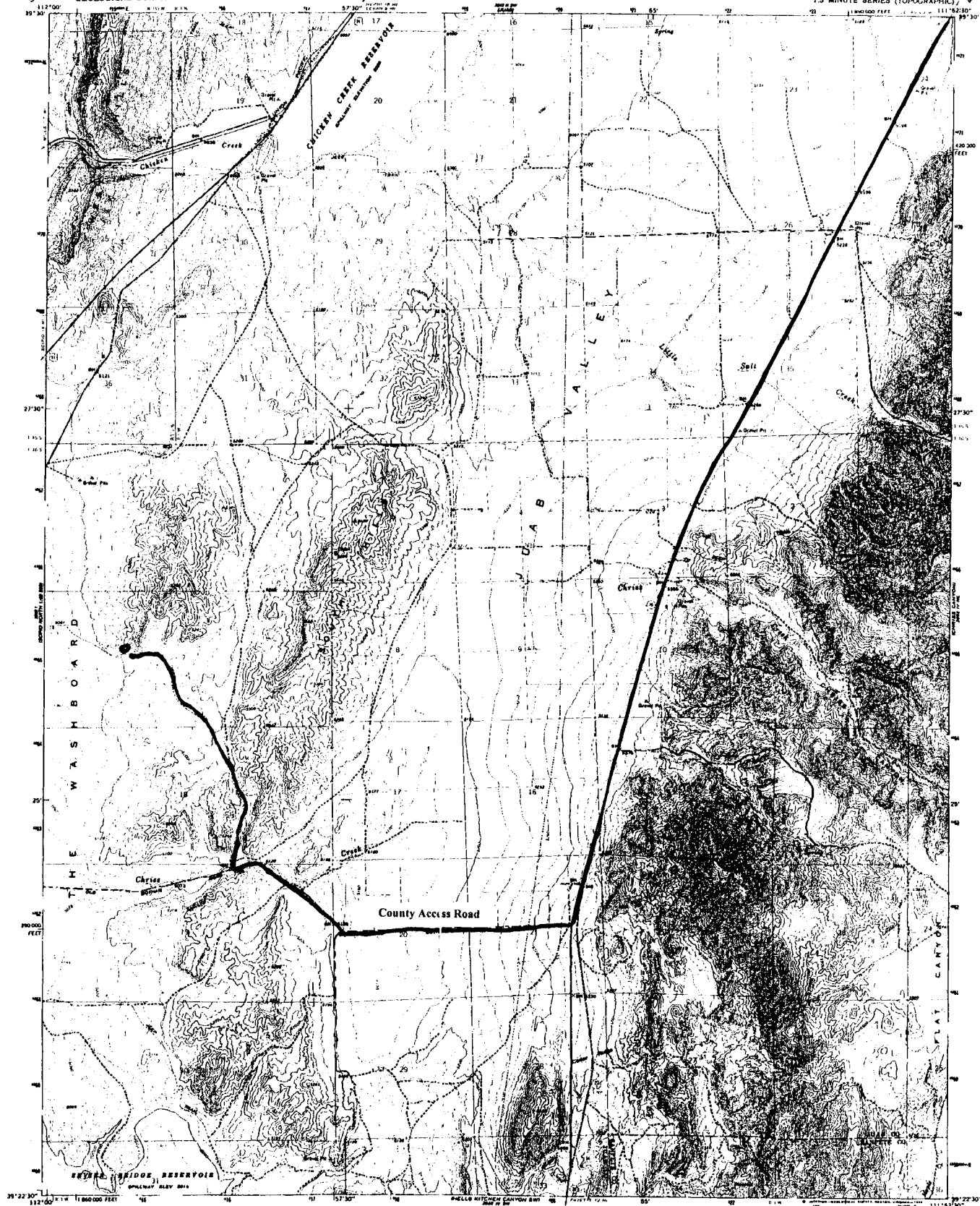
Copyright © 1999 DeLorme Yarmouth, ME 04096. Source Data 1992. 400 ft Scale 1:14,000. Contour 140 ft. Contour 140 ft.

 = WELL LOCATION
 = MONUMENTED SECTION CORNER
 = UNMONUMENTED SECTION CORNER



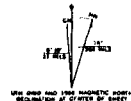
FILE NUMBER LE1002

WELL LOCATION PLAT FOR
WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7
TOWNSHIP 16 SOUTH, RANGE 1 WEST, SLBM
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH



Maped, edited, and published by the Geological Survey
Control by USGS and USCAGS

Topography by photogrammetric methods from aerial
photographs taken 1963. First checked 1965
Photocopy prepared, 1977 North American Datum
10 000-foot grid based on Utah coordinate system, central zone
1000-meter Universal Transverse Mercator grid inch,
zone 12, shown in blue
Fine red dashed lines indicate selected fence lines
Areas covered by dashed light blue pattern
are subject to controlled flooding
To place on the projected North American Datum 1983
move the projection lines 8 meters north and
64 meters east as shown by dashed corner ticks



SCALE 1:24,000
CONTOUR INTERVAL 20 FEET
DOT-LINE REPRESENT 10-FOOT CONTOURS
NATIONAL GEODETIC VERTICAL DATUM OF 1929



ROAD CLASSIFICATION
Heavy-duty ——— Light-duty ———
Medium-duty ——— Unimproved det. ———
U.S. Route ——— State Route ———

THIS MAP COMPLETES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER, COLORADO 80226, OR RESTON, VIRGINIA 22082
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

SKINNER PEAKS, UTAH
99111-06-11-024

1965

DATA 2002 BY NW SERIES 7001



Phone: (801) 561-3121
Fax: (801) 561-3133

935 East South Union Avenue
Suite D-202
Midvale, UT 84047-2393

July 17, 2001

Dustin Dusset
Utah Division of Oil, Gas and Mining
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Wolverine Gas and Oil Corporation
Monroe Trust 1-7 Well, and
Utah State 1-36 Well
Juab County, Utah

Dear Dustin:

Pursuant to our conversation last week, we have corrected that portion of the Application for Permit to Drill to address precautions Wolverine Gas and Oil will take in the event gas flows were encountered in the William Peak coal seams or other formations. It has been decided that the formation would be protected by a mud seal containing Suregel and Baroite, or by NEET cement pumped in the hole 20' above the top of the coal zone.

Should this be satisfactory with the State of Utah to approve the A.P.D.'s, please do so indicate. Your attention to this matter is appreciated.

Sincerely yours,

DOLAR ENERGY, LLC

Mark S. Dolar - CPL/ESA

MSD/kvw
Enclosure

cc: Gary Bleeker, Wolverine Gas and Oil

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

001

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease Designation and Serial Number: Fee
B. Type of Well: OIL <input type="checkbox"/> GAS <input type="checkbox"/> OTHER: Strat Test SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name: N/A
2. Name of Operator: Wolverine Gas and Oil Corporation		7. Unit Agreement Name: N/A
3. Address and Telephone Number: One Riverfront Plaza (616) 458-1150 Grand Rapids, MI 49503-2616		8. Farm or Lease Name: Monroe Trust
4. Location of Well (Footages) At Surface: 2900 FWL 1950 FNL 4365155 N At Proposed Producing Zone: same 413554 E		9. Well Number: Monroe Trust 1-7
14. Distance in miles and direction from nearest town or post office: Approximately 12 miles southwest of Levan, UT		10. Field and Pool, or Wildcat: Wildcat
15. Distance to nearest property or lease line (feet): 1950'	16. Number of acres in lease: 1276.30	11. City/Co., Section, Township, Range, Meridian: Lot 13, Sec 7, T16S, R1W, SLM
18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet): N/A	19. Proposed Depth: 2000 ft.	12. County: Juab
21. Elevations (show whether DF, RT, GR, etc.): 5042 GR		13. State: UTAH
17. Number of acres assigned to this well: 160.00		20. Rotary or cable tool: Rotary
22. Approximate date work will start: March 15, 2001		

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
6"	4-1/2"	11.6 lbs/ft.	200'	10 sacks of Class "G"
3.850"	Open hole	-----	2,000'	

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill, give subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

RECEIVED

The hole plan will be as follows:

JUL 19 2001

0-200' 6" hole 4-1/2" casing 11.6 lbs/ft K55 ST&C

Set Diverter

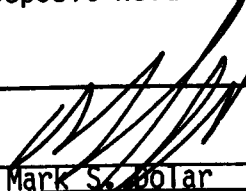
Rotary Drill 200 feet to 2,000 feet

Core using HMCQ wireline retrieved core barrel, 200' feet to 2,000' (3.850 hole X 2.5" core)

Plug and abandon and reclaim surface.

DIVISION OF
OIL, GAS AND MINING

Collateral Bond is held by Director of the Division of Oil, Gas & Mining by Certificate of Deposit held with Brighton Bank, Account # 19-10719-2. (See attached copy)

24. Name & Signature: 	Title: Agent	Date: 2/16/01
Mark S. Solar (801) 561-3121		

(This space for State use only)

API Number Assigned:

43-023-30017

Approval:

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-08-01

By: 

Section 7, 16 S., R.1W., S.L.B.& M.

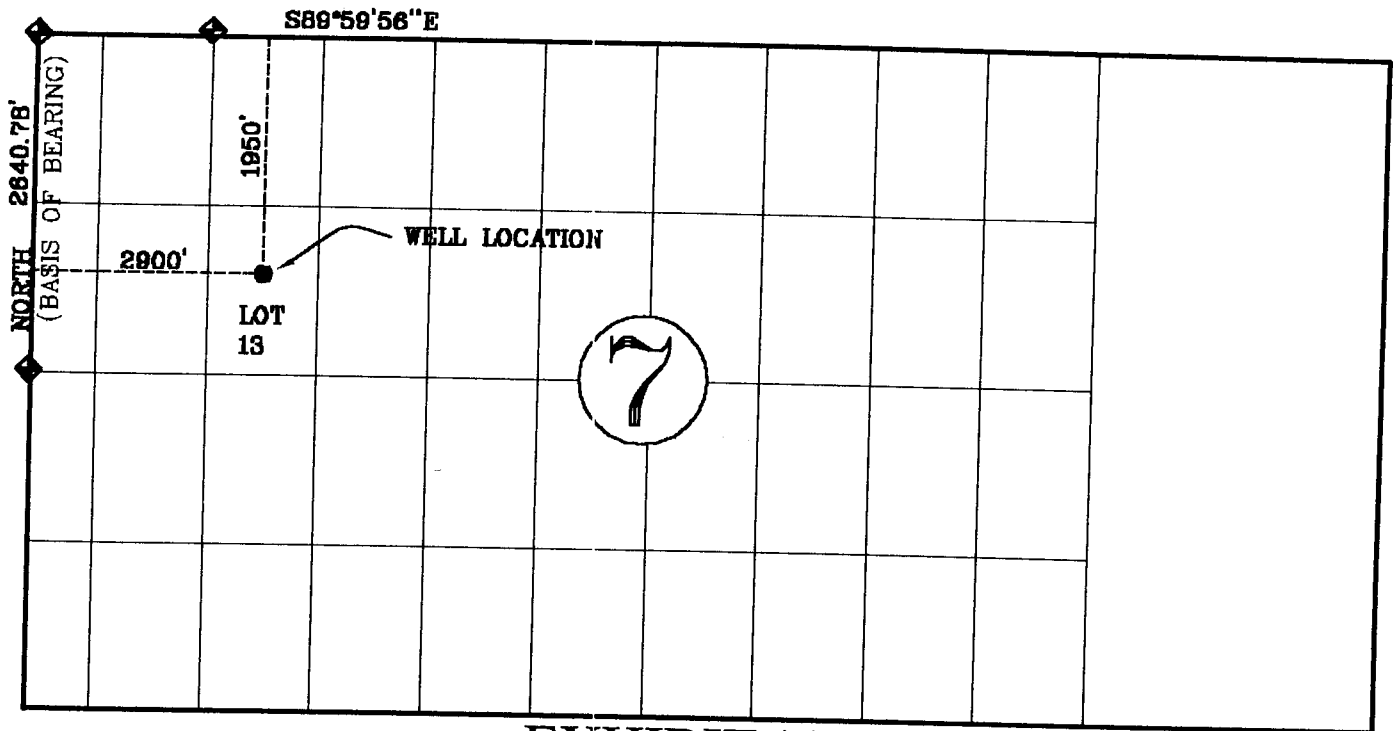


EXHIBIT 'A'

BASIS OF BEARING

NORTH ALONG
THE WEST
SECTION LINE

LEGEND

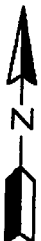
- = WELL LOCATION
- ◈ = MONUMENTED SECTION CORNER
- ◆ = UNMONUMENTED SECTION CORNER

CERTIFICATION

I, STEPHEN L. LUDLOW, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND THAT I HOLD CERTIFICATE NO. 152774 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT A SURVEY HAS BEEN MADE OF THE LAND SHOWN AND DESCRIBED HEREON. I FURTHER CERTIFY THAT THIS SURVEY IS A CORRECT REPRESENTATION OF THE LAND SURVEYED AND HAS BEEN PREPARED IN CONFORMITY WITH THE MINIMUM STANDARDS AND REQUIREMENTS OF THE LAW.

Stephen L. Ludlow
STEPHEN L. LUDLOW

4-4-01
DATE:



PLAT PREPARED BY

LUDLOW ENGINEERING
645 NORTH MAIN STREET
NEPHI, UTAH, 84648
PHONE 623-0897

FILE NUMBER LE1002

WELL LOCATION PLAT FOR
WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7

TOWNSHIP 16 SOUTH, RANGE 1 WEST, SLBM
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining

CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL

API Well Number: 43-023-30017

Well Name and Number: Monroe Trust 1-7

Name of Operator: Wolverine Gas & Oil

APD Receipt Date: July 19, 2001

Date/Initials: July 26, 2001/DKD

The Division based on the following general and specific conditions approves the submitted APD for Well Abandonment:

GENERAL CONDITIONS

- A. Operator shall conduct all plugging and abandonment work in accordance with Utah Administrative Code R649-3-24.
- B. Prior to initiating plugging operations, contact the Division for plugging specifications. Revisions to the plugging procedure may be necessary based upon presence of gas and or fresh water encountered while drilling. Operator shall notify the Division at least 24 hours prior to initiating field activities.
- C. Within 30 days following completion of the abandonment, Operator shall submit a subsequent report to the Division detailing the following:
 - 1. An account of plugging and casing removal procedures, specifications and quantities of all materials and equipment used, and the depths of all plugs installed;
 - 2. Records of any tests conducted or measurements collected; and,
 - 3. Amounts, type, and condition of casing removed and location and type of casing left in the well.

SPECIFIC CONDITIONS

- 1. A balanced cement plug not less than 100 feet in length shall be centered across the top of the Williams Peak formation (1450' to 1550'). Allow cement to set and tag plug.
- 2. A surface cement plug shall be set from 50' below surface casing shoe to surface (250' to surface). All annuli shall be cemented from 100' to surface.
- 3. Erect state specification dry hole marker.
- 4. Reclaim surface per landowner's specifications.

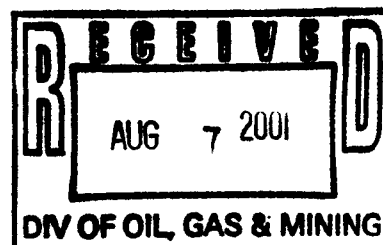
002



Phone: (801) 561-3121
Fax: (801) 561-3133

DOLAR ENERGY L.L.C.

935 East South Union Avenue
Suite D-202
Midvale, UT 84047-2393

FACSIMILE TRANSMITTAL COVER SHEETTO: Mike DehertsonFACSIMILE NUMBER: 359-3940FROM: Mark S. DolarDATE: 8/7, 2001 TIME SENT: 3:30NUMBER OF PAGES: 3 (Including cover sheet)

MESSAGE: Surface Damage Agreement
Re: Sarah Lavin Monroe

If documents described above are not properly received, please call (801) 561-3121. Our fax number is (801) 561-3133

PBX, LC

CHEROKEE FOUR, LC

SURFACE DAMAGE AGREEMENT

This agreement is between Sarah Loraine Monroe, Trustee of the Sarah Loraine Monroe Family Trust dated May 26, 1994 and as Trustee of the James Merlin Monroe Family Living Trust executed November 10, 1982 hereinafter referred to as "Monroe", whose address is P. O. Box 560052, Scipio, UT 84656 and Wolverine Gas and Oil Corporation, referred to as "Wolverine" whose address One Riverfront Plaza, Grand Rapids, MI 49503-2616.

The above parties agree to the basic understanding as follows:

1. Prior to the commencement of any drilling operation by Wolverine or its assigns on any lands on which Monroe owns surface rights ("Subject Lands") Wolverine shall pay One Thousand Dollars (\$1,000.00) as compensation for damage to the surface, the following payments:

- a. \$1,000.00 for each drill site location up to three acres and access road to well site. The route for access roads shall be mutually agreed upon by parties herein, and Wolverine, its successors and assigns shall diligently attempt to avoid irrigated and pasture lands owned by Monroe. In the event roads are abandoned by Wolverine, its successors and assigns, Monroe shall have the option to take over operations of the roads free of cost, and accept liability and upkeep of the access road.
- b. Any and all access roads shall not exceed 20 feet in width (maximum). All pipelines, power lines and telephone lines will be buried below plow depth. In the event of dry hole, drill site and roadways will be restored to original condition as practicable within 180 days after plugging date of the applicable well.

2. This agreement shall be binding upon Wolverine, its executors, administrators, successors, and assigns and all contract workers. This agreement shall be limited specifically to the area of well site and access roads and right-a-ways from lands described above.

3. Firearms and liquor shall be prohibited from well location and access roads.

4. All gates shall remain closed during operations by Wolverine and if requested by Monroe, the well site will be fenced to protect cattle.

5. Only Wolverine personnel and authorized contractors performing work for Wolverine will have the combination (or key) to the locked gate and will lock it each time they pass through it.

6. Unauthorized personnel, contractors, etc. will not be allowed on location or access to location.

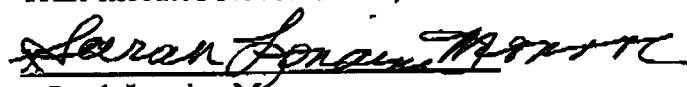
7. Wolverine will make every reasonable effort to have a company representative on the location at all times during drilling/completion operations.

Signed this 31 day of July, 2001.

Sarah Loraine Monroe, Trustee of the
Sarah Loraine Monroe Family Trust
dated May 26, 1994

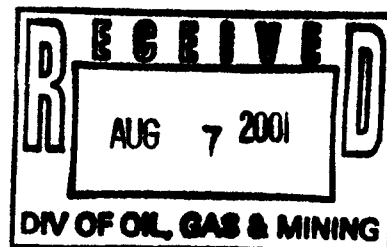

Sarah Loraine Monroe

Sarah Loraine Monroe, Trustee of the
James Merlin Monroe Family Living
Trust executed November 10, 1982


Sarah Loraine Monroe

Wolverine Gas and Oil Corporation

By 
Mark S. Dolar, Agent



INDIVIDUAL NOTARY

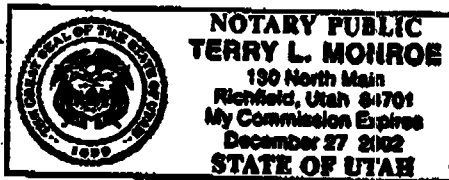
STATE OF UTAH)
COUNTY OF SEVIER) ss.

BEFORE ME, the undersigned authority, on this day personally appeared Sarah Loraine Monroe, Trustee of the Sarah Loraine Monroe Family Trust dated May 26, 1994 and as Trustee of the James Merlin Monroe Family Living Trust executed November 10, 1982 known to me to be the person(s) whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 31 day of July, 2001.

My commission expires:

12/27/2002



Terry L. Monroe
Notary Public

CORPORATE NOTARY

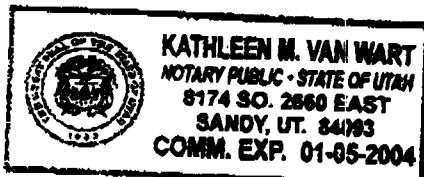
STATE OF UTAH)
COUNTY OF SALT LAKE) ss.

BEFORE ME, the undersigned authority, on this day personally appeared Mark S. Dolar known to me to be the person whose name is subscribed to the foregoing instrument as the Agent for Wolverine Gas and Oil Corporation and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

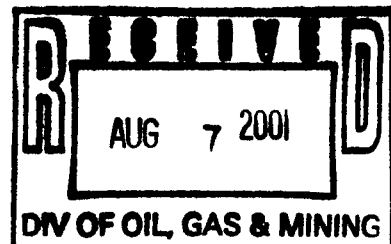
GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 16th day of July, 2001.

My commission expires:

01-05-04



Kathleen M. Van Wart
Notary Public



**Wolverine Gas & Oil
Monroe Trust 1-7
Surface Location:
2900' FWL & 1950' FNL
Section 7: Lot 13, Township 16 South, Range 1 West
Juab County, Utah**

All lease operations will fully comply with applicable laws, regulations (R649-3), the Utah Oil & Gas Conservation General Rules. The operator, Wolverine Gas & Oil Corporation, is fully responsible for the actions of its subcontractors. Wolverine Gas & Oil Corporation will furnish a copy of these conditions to its field representative to ensure compliance.

Drilling Program

Surface Formation and Estimated Formations Tops:

All depths are true vertical and based on a ground level of 5,042 feet, except where noted. Ground Level ("GL") is from enclosed survey.

Formation	Depth From GL (feet)
Flagstaff	0
North Horn	1,100
Williams Peak	1,500
TOTAL DEPTH	2,000

The mud program for the well will be fresh water and high yield Wyoming Bentonite. Polymers may be added when necessary.

Estimated Depth at which oil, gas, water or other mineral bearing zones are expected to be encountered.

The primary objective of this well is to log and test the potential of the Williams Peak formation and associated coal seams at the depths of 1,500 feet to 2,000 feet. All shows of fresh water and gas will be reported and protected. The well will be cored, then plugged and abandoned pursuant to regulations of the Conservation requirements.

R649-3-7 BOP Equipment

All BOPE will be tested pursuant to R649-3-7 of the Conservation Rules. Minimum specifications for pressure control equipment are as follows:

Ram Type: Torous Type K stripper will be used with annular, 1,500 p.s.i., complete with nitrogen powered fail-safe backup.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. BOPE schematic diagram is attached as Exhibit "C".

Casing Program

Pursuant to R649-3-8 of the Conservation Rules, the casing program (as described on Form 3 herein) shall be by pump and plug method. All surface strings will be cemented throughout their lengths. All horizons penetrated will be protected.

The surface casing will be cemented to surface with 10 sacks of Class "G" cement.

The casing program will protect any potential oil and gas horizons, and water zones, and stop any migration or infiltration of water from other sources and to prevent migration of oil, gas and water from one horizon to another.

Pursuant to R649-3-12, hydrogen sulfide is not expected to be encountered while drilling this well.

Integrity tests, pursuant to R649-3-13, will be conducted on casing at the appropriate times, determined by the Division of Oil, Gas and Mining.

OTHER

Pursuant to R649-3-14, all rubbish and debris shall be kept at least 100 feet from well location, tanks or any structures. All trash will be kept in containers on the well site, and will be hauled away at the completion of drilling operations.

All reasonable precautions pursuant to R649-3-15 shall be taken to avoid pollution.

A small reserve pit for waste mud will be located at the south end of the well site plan. The pit will be eight feet x eighteen feet and located on the west side of the site layout, and will be four feet deep, and hold up to 200 barrels of fluids. Unless otherwise directed at the pre-drill site evaluation, the pit will not be lined. Rules pursuant to R649-3-16 will be followed regarding the pit.

Upon completion of drilling and coring the well will be plugged and abandoned pursuant to R649-3-24, and the surface will be restored pursuant to R649-3-34. Anticipated plan for plugging includes cementing the entire surface casing from 200' below the surface to the surface using 17 sacks of Class "G" cement.

In the event of encountering gas flows in the Williams Peak coal seams, or other formations, operator will increase drilling mud volumes necessary to "kill" the well and seal off the gas bearing formation. The formation will be protected by a mud seal containing Suregel and Baroite, 9.5 lbs. per gallon; or Neet cement pumped in the hole 20' above top of coal zone. A Sundry Notice will be filed immediately to indicate the volume of mud required to "kill" the well and seal the formation.

Should fresh water be encountered, the surface casing will be extended below formation containing fresh water.

In the event subsurface water is encountered in the Williams Peak coal seam, operator will increase drilling mud volumes necessary to "kill" the water flow and seal off the formation. A Sundry Notice will be immediately filed indicating the volumes of mud required to seal off the formation.

Surface Use Plan:

A diagram for the surface site plan is attached as Exhibit "D". A truck mounted rig will be used. Leveling of surface for location site and surface disturbance of a well pad and access road will not be required.

Water

Water for drilling will be purchased and hauled to location and stored in storage tanks. Water will be acquired from State Permit #66-77 owned by the Bureau of Land Management. Location of point of diversion is North 4054' and East 4571' from the Southwest Corner of Section 7, Township 16 South, Range 1 West. Waste water will not be discharged at site and the well will not require a waste water management plan.

Section 7, T.16 S., R.1W., S.L.B. & M.

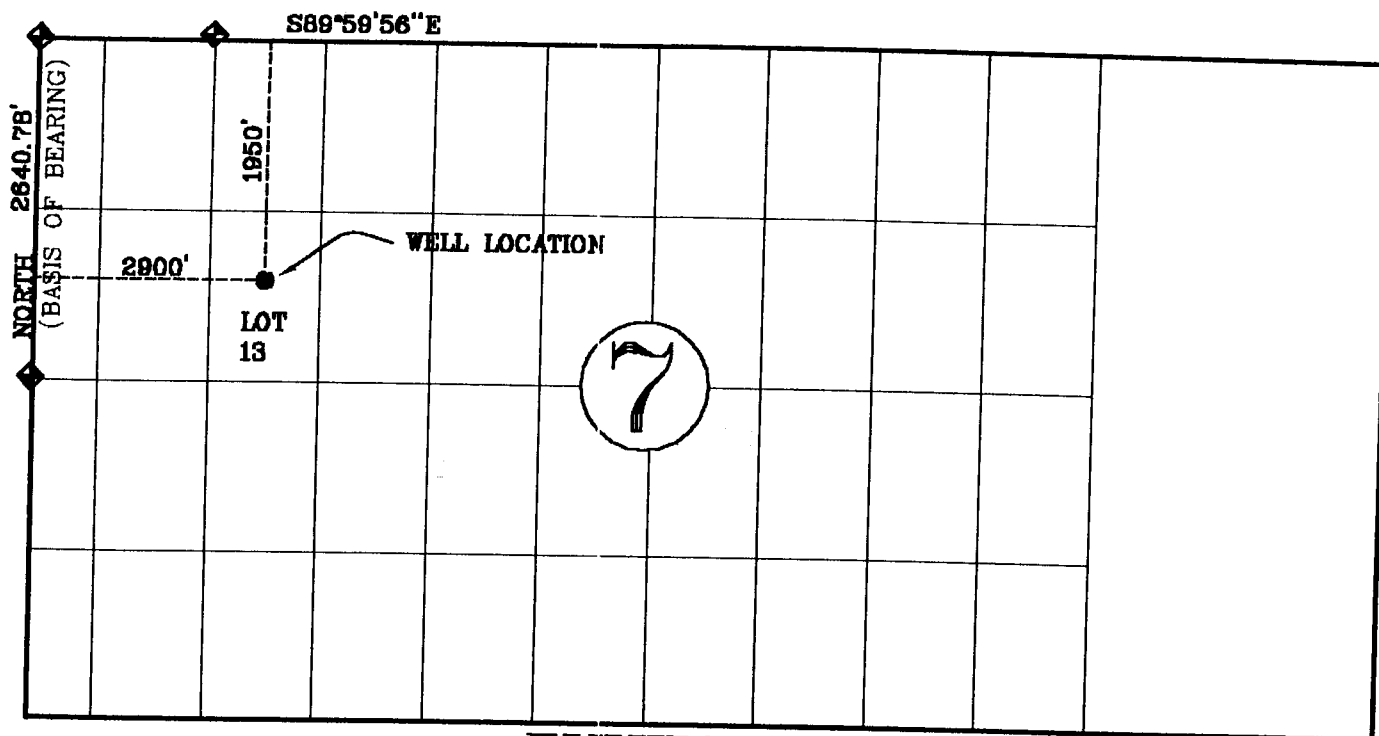


EXHIBIT 'A'

BASIS OF BEARING

NORTH ALONG
THE WEST
SECTION LINE.

LEGEND

- = WELL LOCATION
- ◊ = MONUMENTED SECTION CORNER
- ◆ = UNMONUMENTED SECTION CORNER

CERTIFICATION

I, STEPHEN L. LUDLOW, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND THAT I HOLD CERTIFICATE NO. 152774 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT A SURVEY HAS BEEN MADE OF THE LAND SHOWN AND DESCRIBED HEREON. I FURTHER CERTIFY THAT THIS SURVEY IS A CORRECT REPRESENTATION OF THE LAND SURVEYED AND HAS BEEN PREPARED IN CONFORMITY WITH THE MINIMUM STANDARDS AND REQUIREMENTS OF THE LAW.

Stephen L. Ludlow
STEPHEN L. LUDLOW

4-4-01
DATE:



PLAT PREPARED BY

LUDLOW ENGINEERING
645 NORTH MAIN STREET
NEPHI, UTAH, 84648
PHONE 623-0897

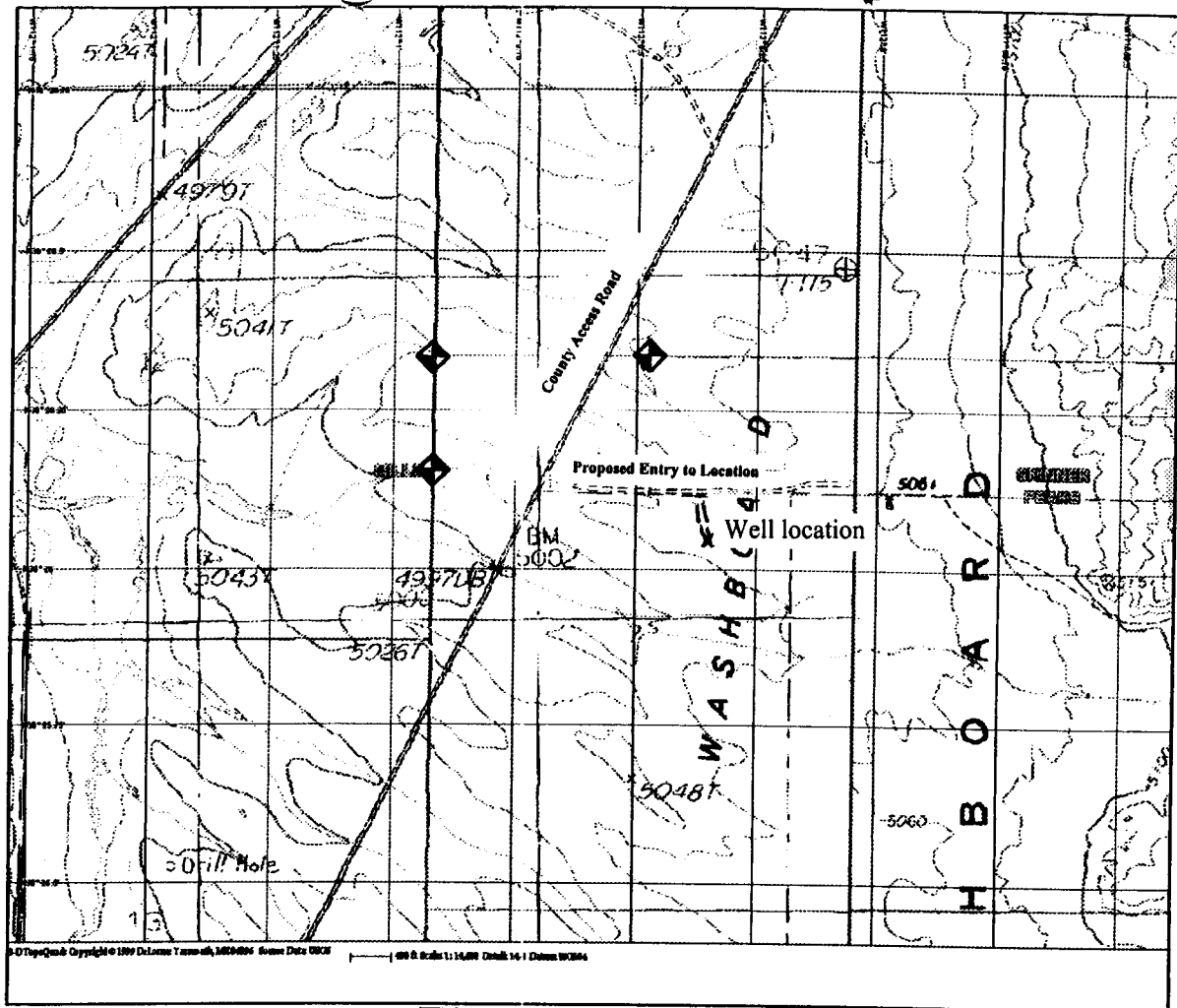
FILE NUMBER LE1002

WELL LOCATION PLAT FOR

WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7

TOWNSHIP 16 SOUTH, RANGE 1 WEST, SLBM
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH

Section 7, 16 S., R.1W., S.L.B.& M.






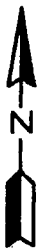
VICINITY MAP

U.S.G.S. QUAD - SKINNER PEAKS

EXHIBIT "A-1"

LEGEND

-  = WELL LOCATION
-  = MONUMENTED SECTION CORNER
-  = UNMONUMENTED SECTION CORNER



PLAT PREPARED BY

LUDLOW ENGINEERING
645 NORTH MAIN STREET
NEPHI, UTAH, 84648
PHONE 623-0897

FILE NUMBER LE1002

WELL LOCATION PLAT FOR

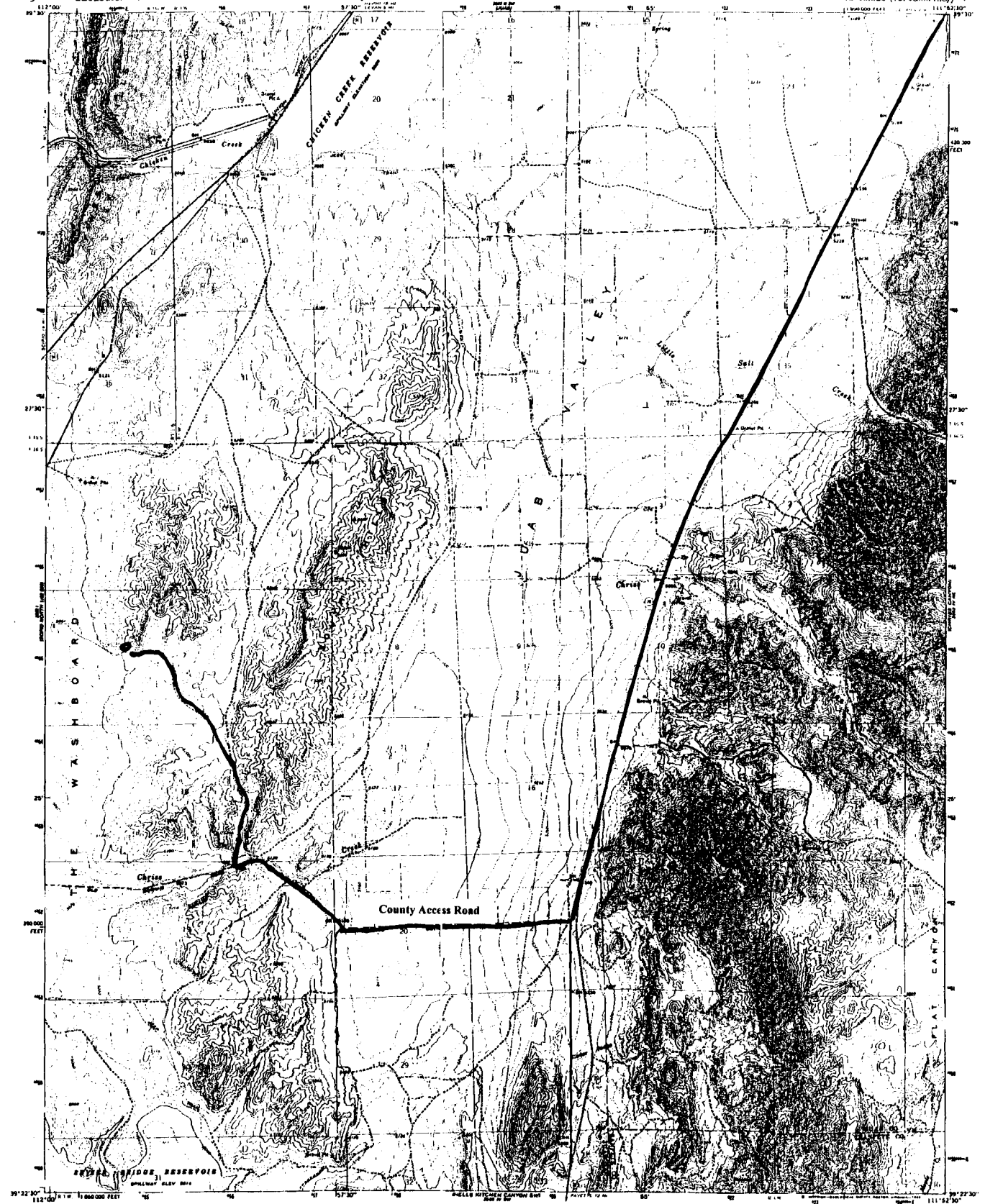
WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7

TOWNSHIP 16 SOUTH, RANGE 1 WEST, SLBM
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH

EXHIBIT "B"

SKINNER PEAKS QUADRANGLE

UTAH
7.5 MINUTE SERIES (TOPOGRAPHIC)



Mapped, edited, and published by the Geological Survey

Control by USGS and USACGS

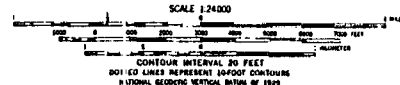
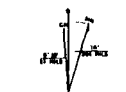
Topography by photogrammetric methods from aerial photographs taken 1963. Field checked 1965

Polyconic projection. 1927 North American Datum. 10,000-foot grid based on Utah zone-datum section, central zone. 1000-meter Universal Transverse Mercator grid also, zone 12, shown in blue.

Five red dashed lines indicate selected fence lines.

Areas covered by dashed black patterns are subject to contractual reservation.

To place on the published North American Datum 1983 move the projection from 6 meters north and 66 meters east as shown by dashed corner dots.



ROAD CLASSIFICATION

Heavy duty Light duty

Medium-duty Unimproved det.

U.S. Route State Route



THIS MAP COMPLETES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER, COLORADO 80226, OR RESTON, VIRGINIA 22082
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

SKINNER PEAKS, UTAH
39111-06-11-021

1966
DATA 1962 BY NEW ORLEANS 1961

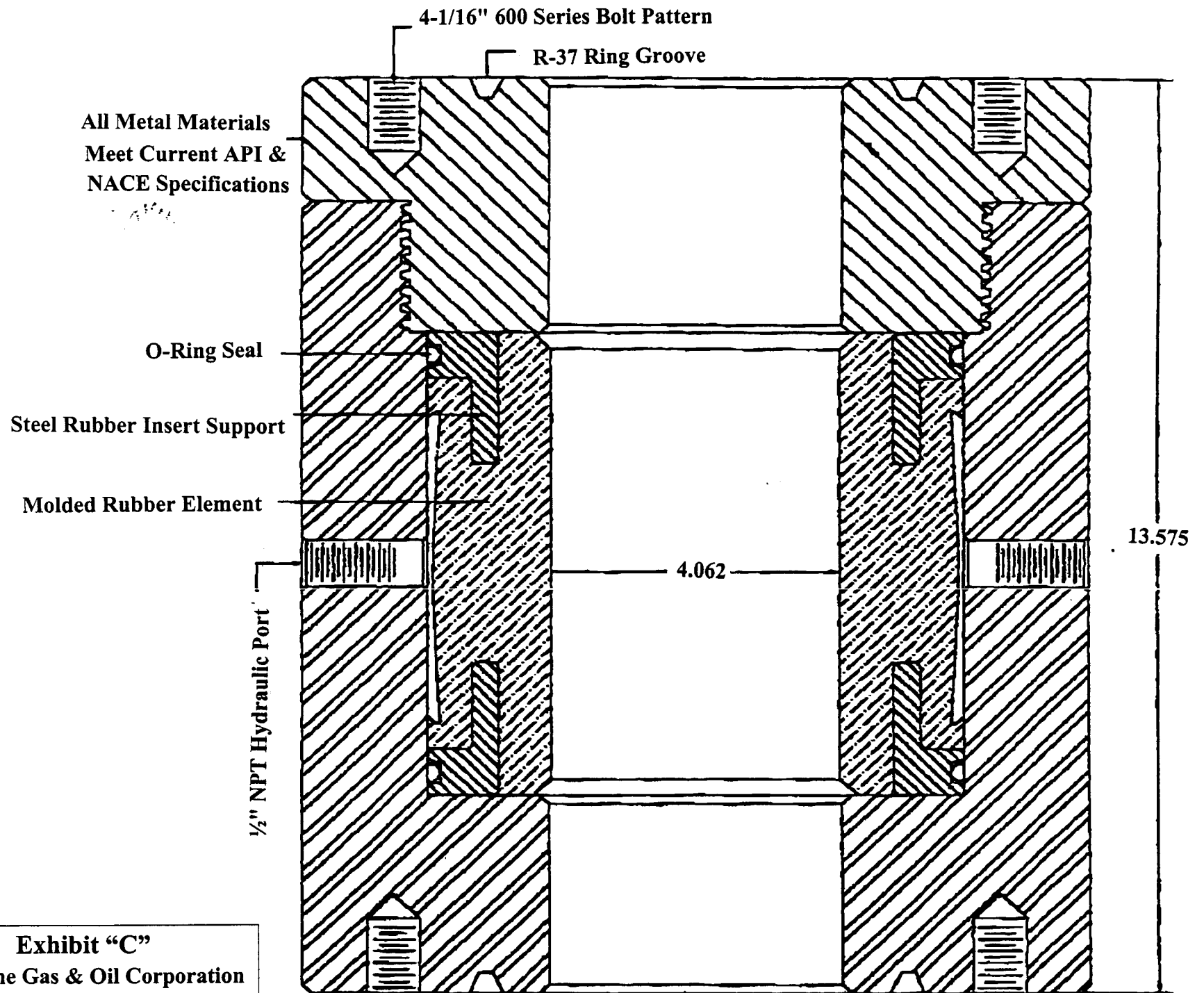


Exhibit "C"

Wolverine Gas & Oil Corporation

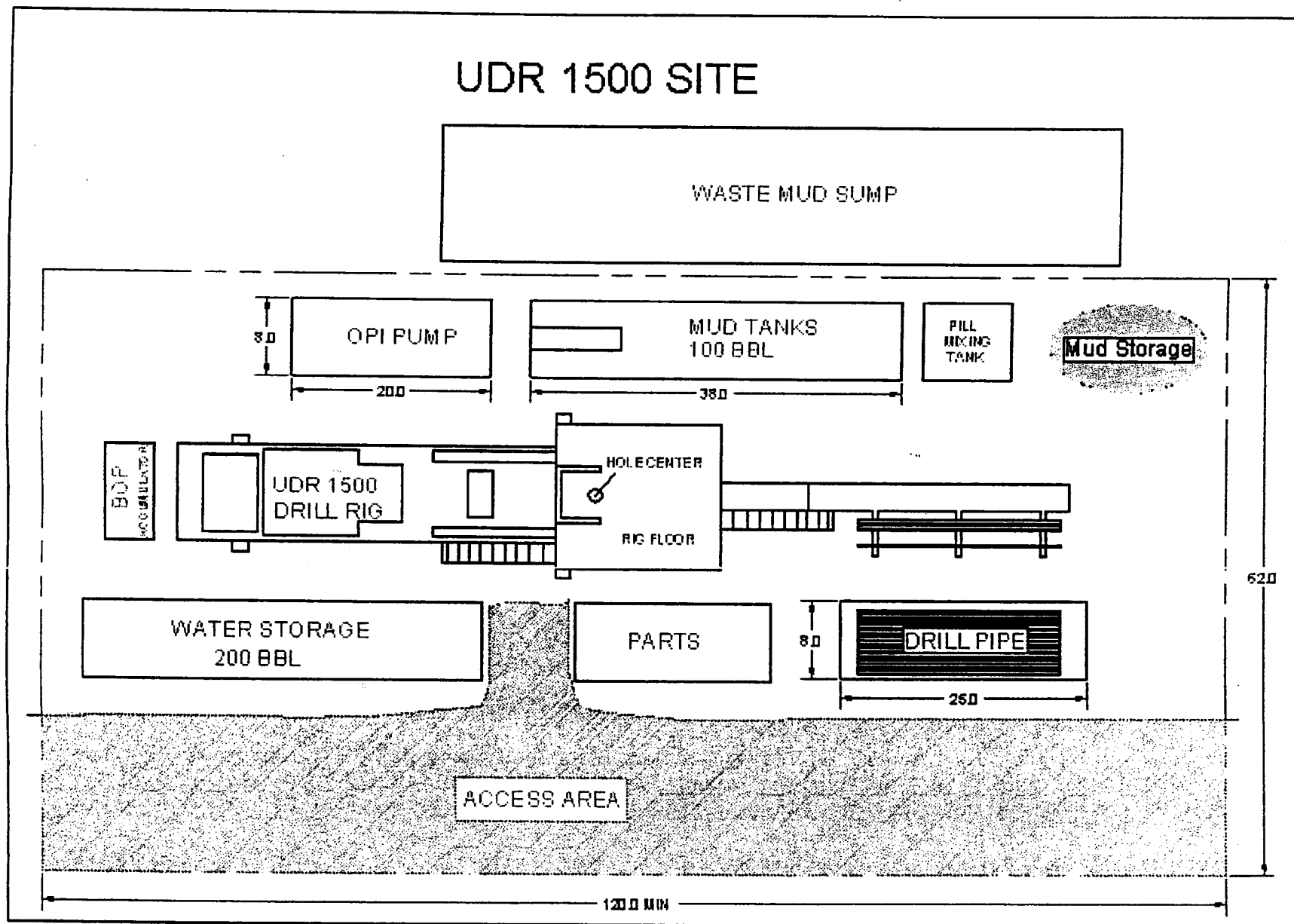
Diverter for Use in Coal Bed

Methane Coring Operations

TRIPPLE M OIL TOOL TM/PZ 4-1/16 Annular Type BOP

EXHIBIT "D"

UDR 1500 SITE





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 8, 2001

Wolverine Gas and Oil Corporation
One Riverfront Plaza
Grand Rapids, MI 49503-2616

Re: Monroe Trust 1-7 Stratigraphic Well, 1950' FNL, 2900' FWL, SW NW, Sec. 7,
T. 16 South, R. 1 West, Juab County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced stratigraphic well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this stratigraphic well is 43-023-30017.

Sincerely,

A handwritten signature in cursive script, appearing to read "John R. Baza".

John R. Baza
Associate Director

er

Enclosures

cc: Juab County Assessor

Operator: Wolverine Gas and Oil Corporation
Well Name & Number Monroe Trust 1-7 Stratigraphic
API Number: 43-023-30017
Lease: FEE

Location: SW NW **Sec.** 7 **T.** 16 South **R.** 1 West

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this stratigraphic well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the stratigraphic well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the stratigraphic well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Stratigraphic Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

6. Surface casing shall be cemented to the surface.

7. Compliance with the Conditions of Approval to Plug and Abandon the Stratigraphic Well are a condition of this approval. (Copy Attached.)



Chevron

Chevron U.S.A. Production Company
Mid-Continent Business Unit
P.O. Box 36366
Houston, TX 77236
Phone 713 754 2000

April 9, 2002

Mr. John Baza,
Associate Director of Oil and Gas
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 W. North Temple St., Suite 1210
Salt Lake City, UT 84114-5801

RECEIVED

APR 12 2002

DIVISION OF
OIL, GAS AND MINING

Dear Mr. Baza:

As you may recall from our meeting last year, we planned to combine the assets of **Chevron U.S.A. Inc. ("CUSA")**, by merger, and **Texaco Exploration and Production Inc. ("TEPI")**, by assignment, into a new entity which we referred to as "Newco LP". Along the way, additional information came to light and it was decided that this proposed corporate restructure would not be preferable. Therefore, CUSA and TEPI have continued to operate as separate entities.

We are now planning a simpler restructuring process where TEPI will assign most of its assets/operatorship to **CUSA effective May 1, 2002**. We plan to use the existing CUSA bonds/letters of credit, operator identification numbers, etc., for the TEPI assets that will be assigned.

A task force of Land, Regulatory and Environmental Compliance personnel are finishing the work that was begun last year to assign TEPI's assets—using the same forms and procedures as before. We have "new faces" in this task force due to reassignments and departures. In some cases, it may be worthwhile to visit you and your staff in person where new people are involved or if we need to review/clarify your forms and procedures. Otherwise, we will endeavor to complete the work to assign TEPI's assets/operatorship to CUSA and deliver the requisite materials to you in a timely manner.

During discussions last year, our focus was on Land, Regulatory and Environmental matters. The Finance organization also desires to join in this effort. For State Tax, Royalty and Regulatory reporting purposes (applicable to production from May 2002 through December 2002), we intend to generate two reports and two payments.

However, the reporting company name and identification number will be CUSA's. Beginning with January 2003 production and thereafter, we will issue only one CUSA report and payment. We trust this plan meets with your approval. Any questions or comments should be directed to Rick Dunlavy (telephone 713/752-7411, rickdunlavy@chevrontexaco.com).

We appreciate the cooperation and guidance you provided us in the past, and we look forward to bringing these efforts to a conclusion.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Don R. Sellars". The signature is fluid and cursive, with a large initial "D" and "S".

Don R. Sellars

Sr. Environmental Specialist



Talon Resources, Inc.

Service, Quality and Accuracy

375 South Carbon Avenue A-10
Suite 101
Price, Utah 84501
Phone: 435-637-8781

Cell: 801-650-1401
801-650-1402
Fax: 435-636-8603
Email: talon@castlenet.com

April 25, 2002

Ms. Lisha Cordova
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Amendment to the Application for Permit to Drill—Monroe Trust 1-7 (43-023-30017),
1,950' FNL, 2,900' FWL, Section 7, T16S, R1W, SLB&M; Juab County, Utah

Dear Ms. Cordova:

On behalf of ChevronTexaco, Talon Resources, Inc. respectfully submits the enclosed original of the *Application for Permit to Drill (APD)* to amend to the previously submitted APD and subsequent approval by Wolverine Oil and Gas Company for the above referenced well. Included with the amended APD is the following amended information:

Exhibit "A" - Survey plats and layouts of the proposed well site;

Exhibit "B" - Proposed location maps with road corridors;

Exhibit "C" - Drilling site layout;

Exhibit "D" - Drilling Program;

Exhibit "E" - Multi Point Surface Use Plan;

Exhibit "F" - Typical road cross-section;

Exhibit "G" - Typical BOP diagram;

Exhibit "H" - Typical wellhead manifold diagram.

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APR 26 2002

DIVISION OF
OIL, GAS AND MINING

ORIGINAL

CONFIDENTIAL

012

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL ☒ DEEPEN ☐

B. Type of Well: OIL ☐ GAS ☒ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. Name of Operator: **ChevronTexaco**

3. Address and Telephone Number: **11111 Wilcrest Drive, Houston, Texas 77099; 1-281-561-4860**

4. Location of Well (Footages):
At Surface: **1,950' FNL, 2,900' FWL 4345159**
At Proposed Producing Zone: **413575**

5. Lease Designation and Serial Number: **Patented**

6. If Indian, Allottee or Tribe Name: **N/A**

7. Unit Agreement Name: **N/A**

8. Farm or Lease Name: **Monroe Trust**

9. Well Number: **1-7**

10. Field or Pool, or Wildcat: **Wildcat**

11. Qtr/Qtr, Section, Township, Range, Meridian: **NW/4 NW/4, Section 7, T16S, R1W, SLB&M**

12. County: **Juab** 13. State: **Utah**

14. Distance in miles and direction from nearest town or post office: **Approximately 12 miles southwest of Levan, Utah**

15. Distance to nearest property or lease line (feet): **1,950'**

16. Number of acres in lease: **1,276.30**

17. Number of acres assigned to this well: **160 acres**

18. Distance to nearest well, drilling, completed, or applied for, or **None**

19. Proposed Depth: **2,000'**

20. Rotary or cable tools: **Rotary**

21. Elevations (show whether DF, RT, GR, etc.): **5042' GR**

22. Approximate date work will start: **May 2002**

AMENDED

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55 ST&C	24	300'	230 sacks Class G cement + 1% CaCl ₂ + 0.25 pps cellophane
7-7/8"	5-1/2" N-80 LT&C	17	2000'	177 sacks 10-2 RFC Class G + 1% CaCl ₂ + 0.25 pps cellophane flakes

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

This is an amendment to a previously approved APD that ChevronTexaco has assumed the role of owner/operator from Wolverine Gas and Oil Corporation. Through this amendment ChevronTexaco seeks changes to the owner/operator information, drilling plan, location layout and related information.

Assigned API Number: ~~43-023-30017~~

Fee Bond Number: 6027949

Surface Owner: Sarah Loraine Monroe; P.O. Box 560052, Scipio, Utah 84656

Landowner Representative: Victor Monroe; 435-758-2491

Core Interval: Core $\pm 90'$ from $\pm 1,100'$ utilizing a conventional core barrel yielding 3-1/2" core

24.

Name & Signature: Don Hamilton Don Hamilton Title: Agent for ChevronTexaco Date: 4-25-02

(This space for state use only)

API Number Assigned: _____

RECEIVED

Approval:

APR 26 2002

DIVISION OF
OIL, GAS AND MINING

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ORIGINAL

Please accept this letter as ChevronTexaco's written request for confidential treatment of all information contained in and pertaining to this amended application, if said information is eligible for such consideration.

Thank you very much for your timely consideration of this amended application. Please feel free to contact myself, or Mr. Jim Micikas of ChevronTexaco at 281-561-4860 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton

Environmental Manager / Project Coordinator

cc: Mr. Jim Micikas, ChevronTexaco
Mr. Ian Kephart, ChevronTexaco
Mr. Gene Herrington, ChevronTexaco
Texaco Well File

EXHIBIT "D"
DRILLING PROGRAM

Attached to UDOGM Form 3
ChevronTexaco
Monroe Trust 1-7
NW/4 NW/4, Sec. 7, T16S, R1W, SLB & M
1,950' FNL, 2,900' FWL
Juab County, Utah

1. The Geologic Surface Formation

Flagstaff

2. Estimated Tops of Important Geologic Markers

North Horn	-- 1,100'
Lower North Horn	-- 1,500''

3. Projected Gas & H2O zones

Lower North Horn	- 1,500' - 2,000'
------------------	-------------------

No groundwater is expected to be encountered.

Casing & cementing will be done to protect potentially productive hydrocarbons, lost circulation zones, abnormal pressure zones, and prospectively valuable mineral deposits. All indications of usable water will be reported.

Surface casing will be tested to 1000 psi.

4. The Proposed Casing and Cementing Programs

HOLE SIZE	SETTING DEPTH (INTERVAL)	SIZE (OD)	WEIGHT, GRADE & JOINT	CONDITION
12-1/4"	300'	8-5/8"	24# K-55 ST&C	New
7-7/8"	2000'	5-1/2"	17# N-80 LT&C	New

CONFIDENTIAL

Cement Program -Every attempt will be made to bring cement back to surface.

Surface Casing: 230 sacks G + 1 % CaCl₂ + 0.25 pps cellophane flakes;

Weight: 15.8 #/gal

Yield: 1.16 cu.ft/sk

Production Casing: 177 sacks 10:2 RFC Class G cement + 1 % CaCl₂ + 0.25 pps cellophane flakes;

Weight: 14.2 #/gal,

Yield: 1.62 cu.ft/sk yield.

The following shall be entered in the driller's log:

- 1) Blowout preventer pressure tests, including test pressures and results;
- 2) Blowout preventer tests for proper functioning;
- 3) Blowout prevention drills conducted;
- 4) Casing run, including size, grade, weight, and depth set;
- 5) How the pipe was cemented, including amount of cement, type, whether cement circulated, location of the cementing tools, etc.;
- 6) Waiting on cement time for each casing string;
- 7) Casing pressure tests after cementing, including test pressures and results.

5. **The Operator's Minimum Specifications for Pressure Control**

Exhibit "G" is a schematic diagram of the blowout preventer equipment. A double gate 3000 psi BOP will be used with a rotating head. This equipment will be tested to 2000 psi. All tests will be recorded in a Driller's Report Book. Physical operation of BOP's will be checked on each trip.

6. **The Type and Characteristics of the Proposed Circulating Muds**

0-300	12-1/4" hole	Freshwater based mud
300-TD	7-7/8" hole	Freshwater based mud

7. The Testing, Logging and Coring Programs are as followed

300-TD Gamma Ray, Density, Neutron Porosity, Induction, Caliper

Any Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure expected is approximately 1000 psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

8. Anticipated Starting Date and Duration of the Operations.

The well will be drilled approx.: May 2002.

Verbal and/or written notifications listed below shall be submitted in accordance with instructions from the Division of Oil, Gas & Mining:

- (a) prior to beginning construction;
- (b) prior to spudding;
- (c) prior to running any casing or BOP tests;
- (d) prior to plugging the well, for verbal plugging instructions.

Spills, blowouts, fires, leaks, accidents or other unusual occurrences shall be reported to the Division of Oil, Gas & Mining immediately.

EXHIBIT "E"
Multipoint Surface Use Plan

Attached to UDOGM Form 3

ChevronTexaco

Monroe Trust 1-7

Sw ~~NW~~4 NW/4, Sec. 7, T16S, R1W, SLB & M

1,950' FNL, 2,900' FWL

Juab County, Utah

1. Existing Roads

- a. The proposed access road will utilize the existing Juab County road. The existing encroachment has previously been approved by the Juab County Road Department (see Exhibit "B").
- b. We do not plan to change, alter or improve upon any other existing state or county roads. Existing roads will be maintained in the same or better condition.

2. Planned Access

- a. Approximately 2,100' of new access is required (see Exhibit "B").
- b. Maximum Width: 20' travel surface with a 27' base.
- c. Maximum grade: 10%.
- c. Turnouts: None.
- d. Drainage design: approximately 4 – 18" culvert may be required. Water will be diverted away from the planned access as necessary and practical.
- e. If the well is productive, the road will be surfaced and maintained as necessary to prevent soil erosion and accommodate year-round traffic.

3. Location of Existing Wells

- a. There is one proposed well and no existing wells within a one mile radius of the proposed well site (see Exhibit "B").

4. Location of Existing and/or Proposed Facilities

- a. If the well is a producer, installation of production facilities will follow.
- b. Powerlines and gathering lines will follow the proposed access road to the intersection with the Juab County road (see Exhibit "B").
- c. Rehabilitation of all pad areas not used for production facilities will be made in accordance with landowner stipulations.

5. Location and Type of Water Supply

- a. Water to be used for drilling will be acquired from State Permit #66-77 owned by the Bureau of Land Management.
- b. Water will be transported by truck over approved access roads and stored in storage tanks.
- c. Location of the point of diversion is North 4054' and East 4571' from the southwest corner of Section 7, T16S, R1W, SLB&M
- d. No water well is to be drilled for this location.

6. Source of Construction Materials

- a. All necessary construction materials needed will be obtained locally and hauled to the location on existing roads.
- b. No construction or surfacing materials will be taken from Federal/Indian land.

7. Methods for handling waste disposal

- a. Since the well will be air drilled, a small reserve pit will be constructed with a minimum of one-half the total depth below the original ground surface on the lowest point within the pit. The pit will not be lined unless conditions encountered during construction warrant it or if deemed necessary by the DOGM representative during the pre-site inspection. Three sides of the reserve pit will be fenced within 24 hours after completion of construction and the fourth side within 24 hours after drilling operation cease with four strands of barbed wire, or woven wire topped with barbed wire to a height of not less than four feet. The fence will be kept in good repair while the pit is drying.
- b. Following drilling, the liquid waste will be evaporated from the pit and the pit backfilled and returned to natural grade. No liquid hydrocarbons will be discharged to the reserve pit or pad location
- c. In the event fluids are produced, any oil will be retained in tankage until sold and any water produced will be retained until its quality can be determined. The quality and quantity of the water will determine the method of disposal.
- d. Trash will be contained in a portable metal container and will be hauled from location periodically and disposed of at an approved disposal site. Chemical toilets will be placed on location and sewage will be disposed of at an appropriate disposal site.

8. Ancillary Facilities

- a. We anticipate no need for ancillary facilities with the exception of one trailer to be located on the drill site.

9. Wellsite Layout

- a. Available topsoil will be removed from the location and stockpiled. The location of mud tanks, reserve and burn pits, and soil stockpiles will be located as shown on Exhibit "C".
- b. A blooie pit will be located 100' from the drill hole. A line will be placed on the surface from the center hole to the burn pit. The burn pit will not be lined, but will be fenced on four sides to protect livestock/wildlife.
- c. Access to the well pad will be as shown on Exhibit "B".
- d. Natural runoff will be diverted around the well pad.

10. Plans for Restoration of Surface

- a. All surface areas not required for producing operations will be graded to as near original condition as possible and recontoured to minimize possible erosion.
- b. Available topsoil will be stockpiled and will be evenly distributed over the disturbed areas and the area will be reseeded as prescribed by the landowner.
- c. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.
- d. Any oil accumulation on the pit will be removed or overhead flagged as dictated by the existing conditions.
- e. Rehabilitation will commence following completion of the well. Rat and mouse holes will be filled immediately upon release of the drilling rig from the location. If the wellsite is to be abandoned, all disturbed areas will be recontoured.

11. Surface Ownership

- a. The wellsite will be constructed on lands managed by Sarah Loraine Monroe; P.O.Box 560052, Scipio, Utah 84656; contact Victor Monroe at 435-758-2491. The operator shall contact the landowner and the Division of Oil, Gas and Mining 48 hours prior to beginning construction activities.

12. Other Information:

- a. The primary surface use is wildlife habitat. The nearest dwelling is approximately 3.54 miles northwest. Nearest live water is Sevier River approximately 1.9 miles west.
- b. If there is snow on the ground when construction begins, it will be removed before the soil is disturbed, and piled downhill from the topsoil stockpile location.
- c. The backslope and foreslope will be constructed no steeper than 4:1.
- d. All equipment and vehicles will be confined to the access road and well pad.
- e. A complete copy of the approved Application for Permit to Drill (APD) including conditions and stipulations, shall be at the well site during construction and drilling operations.
- f. There will be no deviation from the proposed construction, drilling, and/or workover program without prior approval from the Division of Oil, Gas & Mining.

13. **Company Representatives**

Jim Micikas
ChevronTexaco
11111 South Wilcrest Drive
Houston, Texas 77099

(281) 561-4860

Mail Approved A.P.D. To:

Company Representatives

Excavation Contractor

To be Determined

14. **Certification**

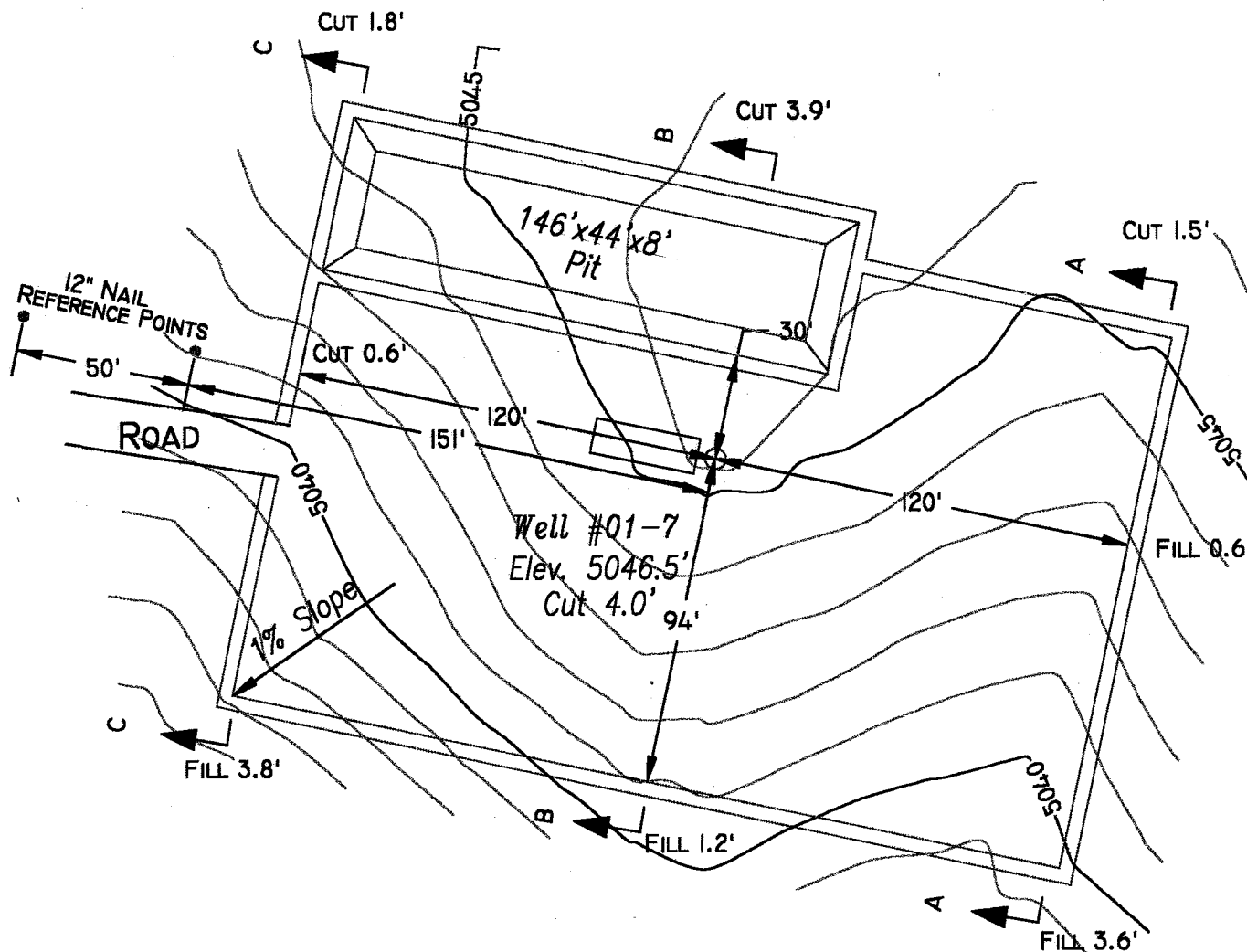
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill-site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operations proposed herein will be performed by ChevronTexaco and its subcontractors in conformity with this plan and the terms and conditions under which it is approved.

4-25-02
Date

Don Hamilton for Chevron Texaco
ChevronTexaco

ORIGINAL

ELEVATION OF UNGRADED GROUND AT LOCATION STAKE = 5046.5'
 ELAVATION OF GRADED GROUND AT LOCATION STAKE = 5042.5'



TALON RESOURCES, INC.

375 S. Carbon Ave., St 101, (A-10)

Price, Utah 84501

Phone (435)637-8781 Fax (435)635-9603

E-Mail taloncastnet.com

ChevronTexaco

LOCATION LAYOUT
 Sec. 7, T16S, R1 1/2W, S.L.B.&M.

WELL #01-7

Drawn By:
 J. STANSFIELD

Checked By:
 L.W.J.

Drawing No.

A-2

Date:

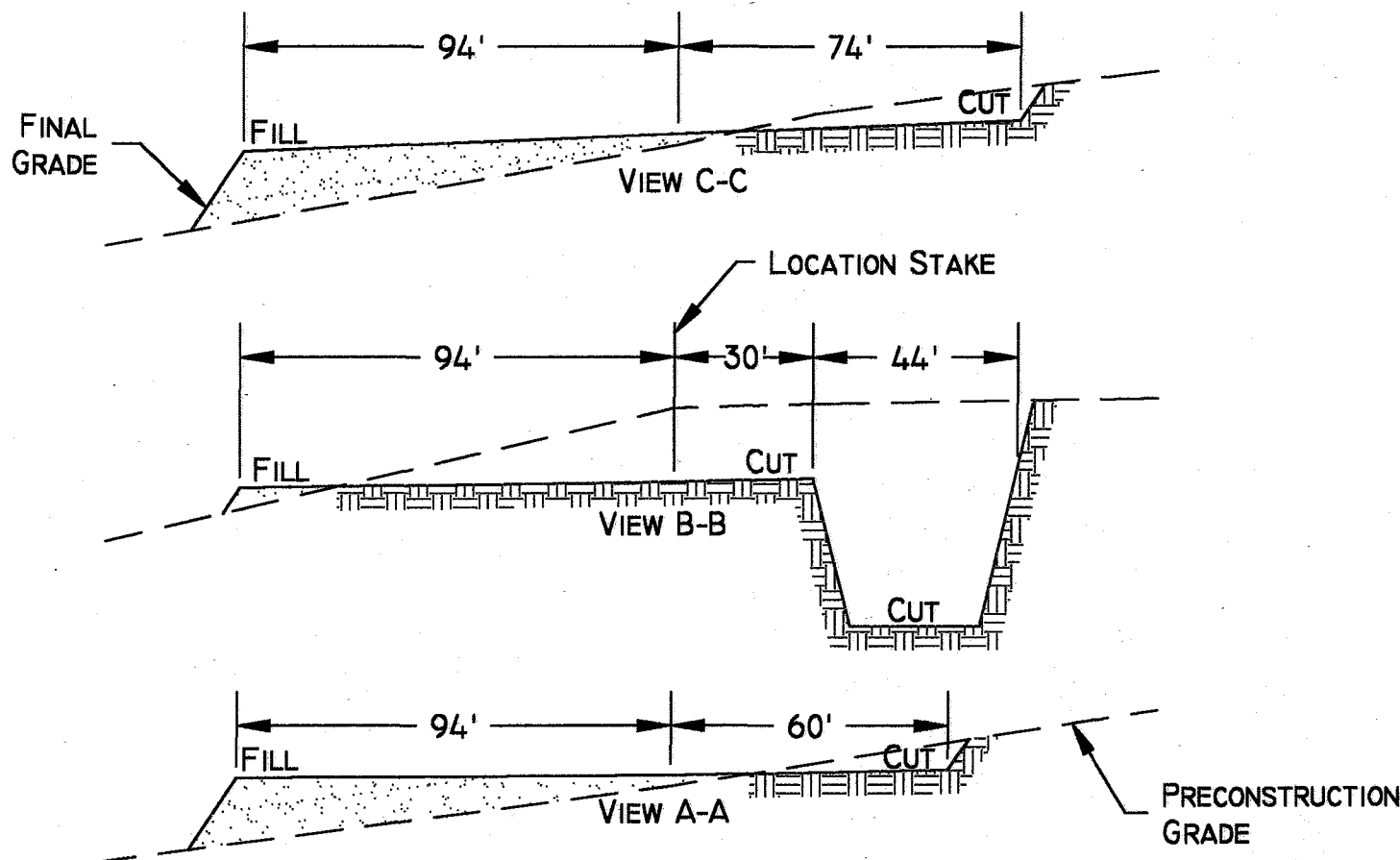
04/22/02

Scale:

1" = 50'

Sheet 2 of 4

Job No.
 628



SLOPE = 1 1/2 : 1
(EXCEPT PIT)
PIT SLOPE = 1 : 1



TALON RESOURCES, INC.

375 S. Carbon Ave, St 101, (A-10)

Price, Utah 84501

Phone (435)637-8781 Fax (435)636-8603

E-Mail talonresources.net

ChevronTexaco

TYPICAL CROSS SECTION

Sec. 7, T16S, R1 1/2W, S.L.B.&M.

WELL #01-7

Drawn By: J. STANSFIELD	Checked By: L.W.J.
----------------------------	-----------------------

Drawing No. C-1	Date: 04/22/02
	Scale: 1" = 40'

Sheet 3 of 4	Job No. 628
--------------	----------------

APPROXIMATE YARDAGES

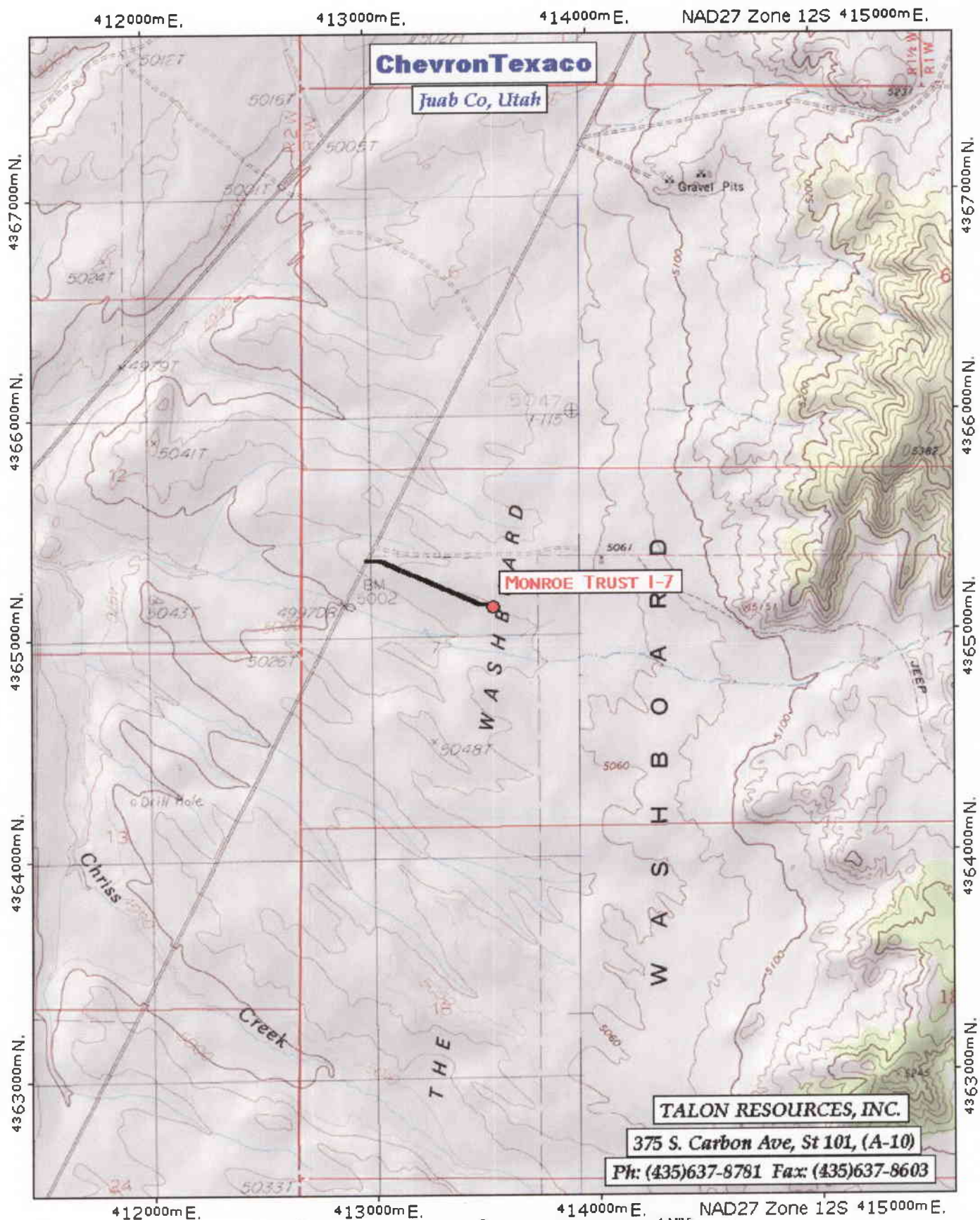
CUT

(6") TOPSOIL STRIPPING = 650 CU. YDS.

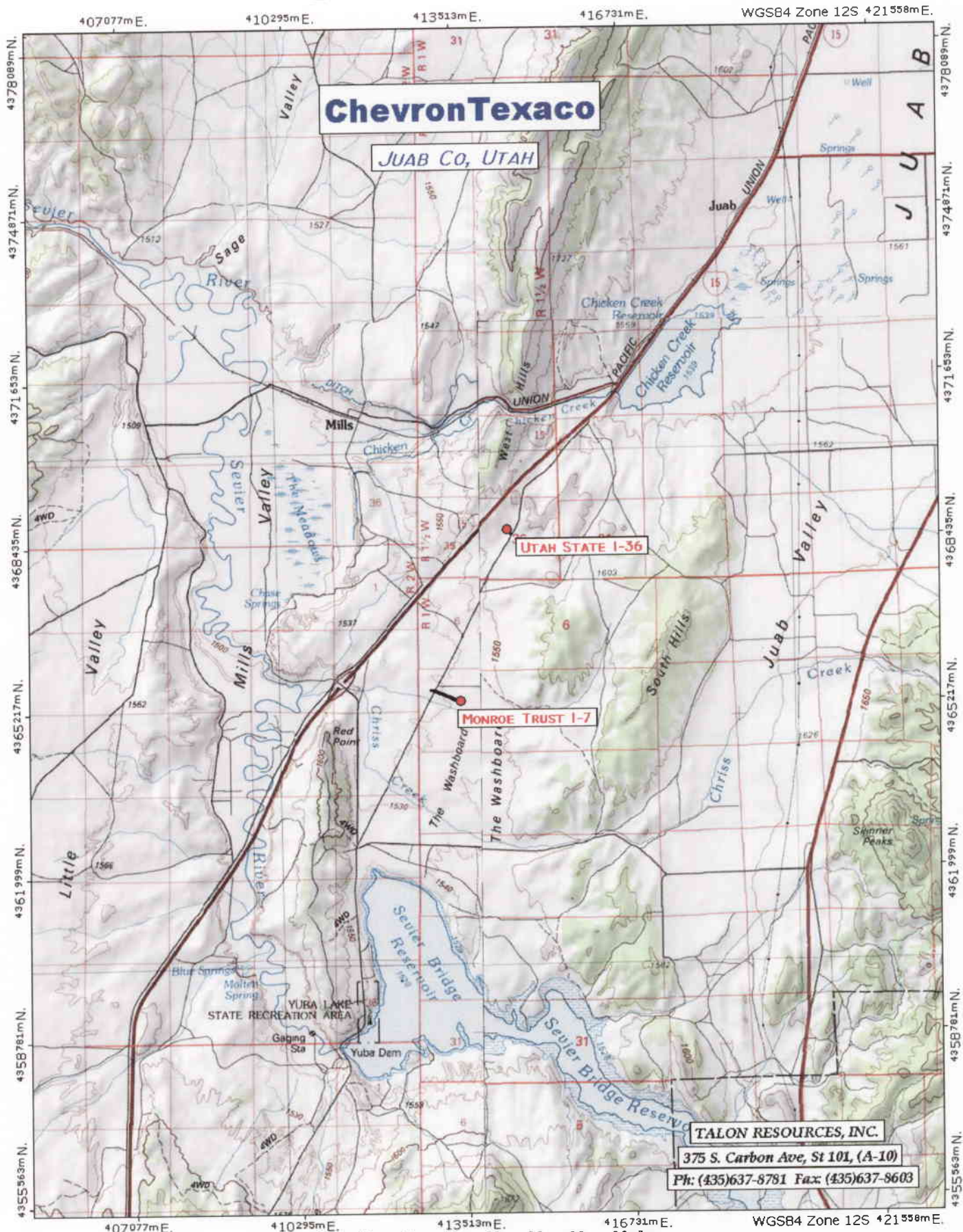
REMAINING LOCATION = 2,170 CU. YDS.

TOTAL CUT = 3,760 CU. YDS.

TOTAL FILL = 965 CU. YDS.



TN★/MN
13°



ChevronTexaco

JUAB CO, UTAH

UTAH STATE I-36

MONROE TRUST I-7

TALON RESOURCES, INC.

375 S. Carbon Ave, St 101, (A-10)

Ph: (435)637-8781 Fax: (435)637-8603

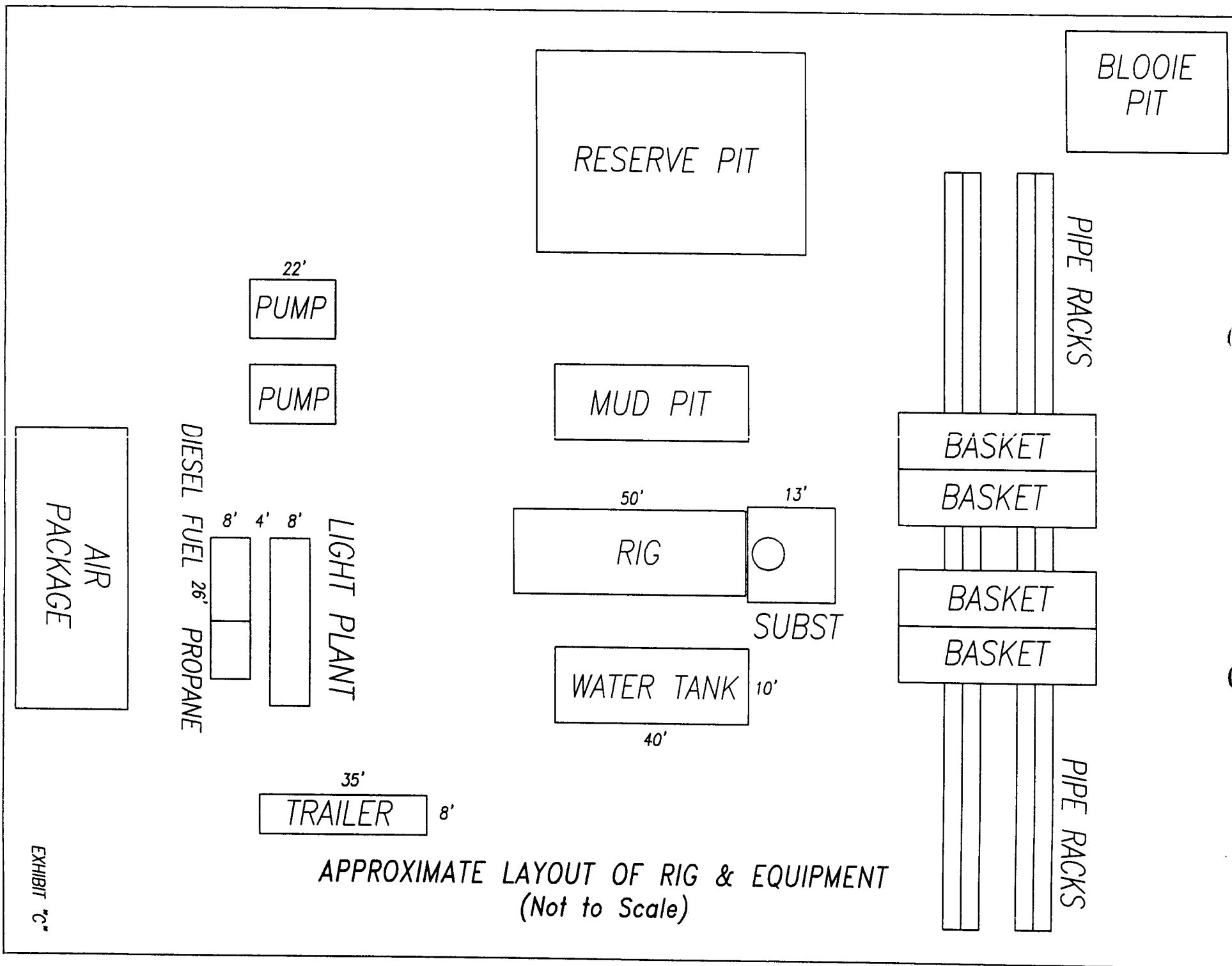
TN
MN
13°

0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 miles

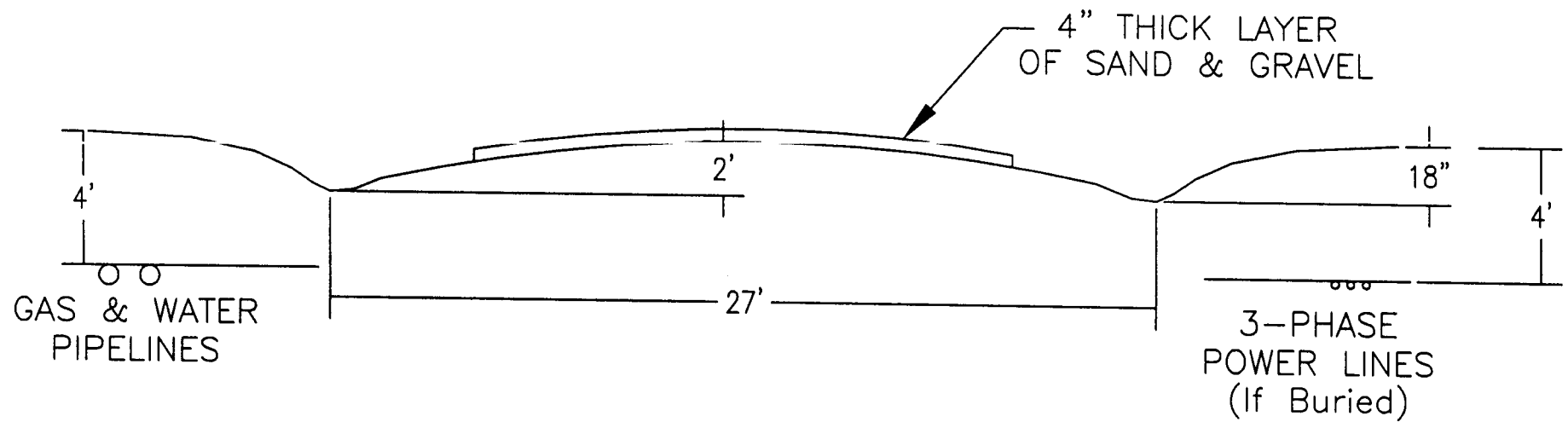
0 1 2 3 4 5 km

Printed from TOPO! ©2000 National Geographic Holdings (www.topo.com)

WGS84 Zone 12S 421558mE.



TYPICAL ROAD CROSS-SECTION



BOP Equipment

3000psi WP

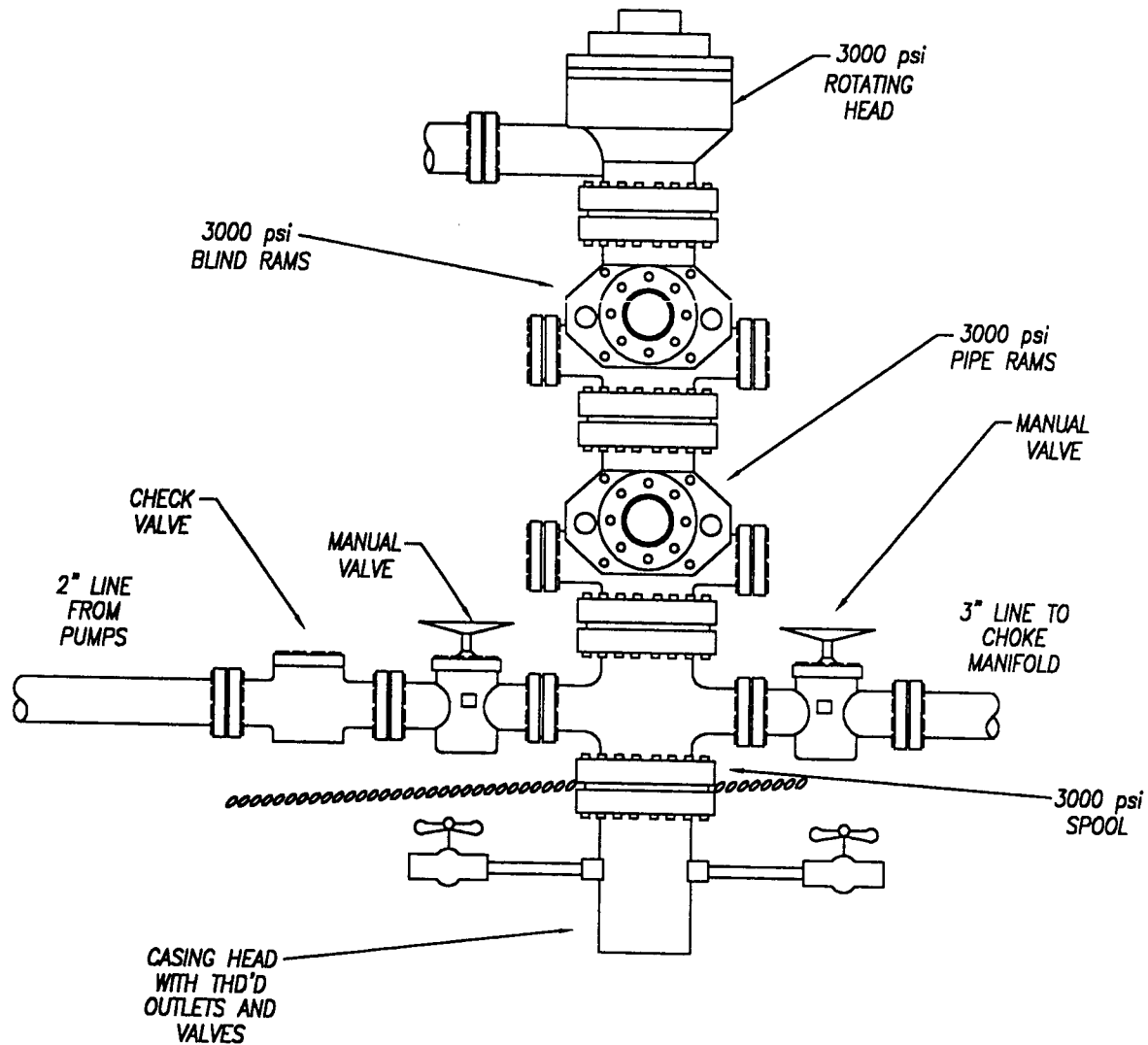
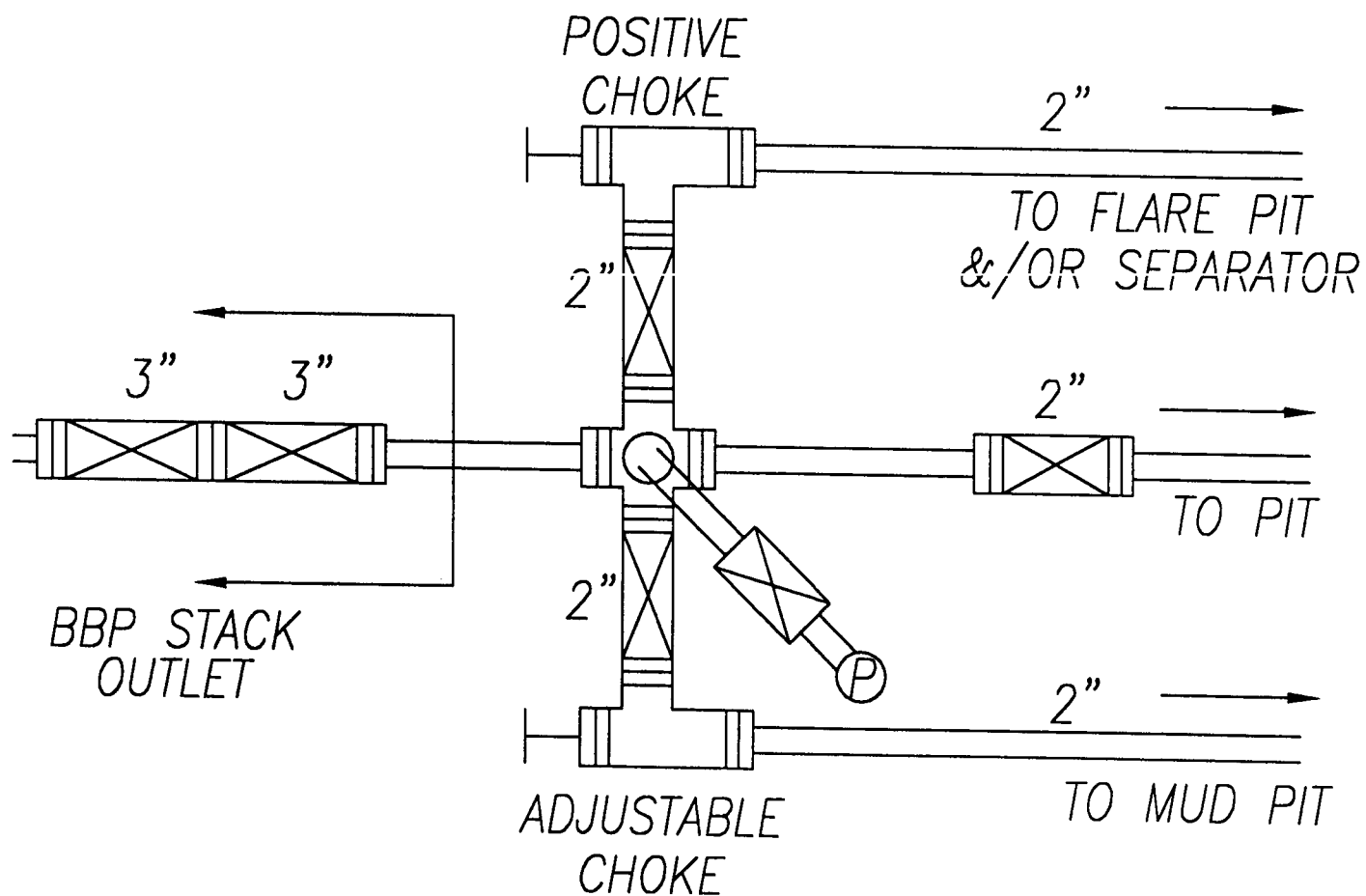


EXHIBIT "C"

CHOKE MANIFOLD



DIVISION OF OIL, GAS AND MINING

013

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work: DRILL ☒ DEEPEN ☐B. Type of Well: OIL ☐ GAS ☒ SINGLE ZONE ☒ MULTIPLE ZONE ☐2. Name of Operator: Chevron USA Inc.ChevronTexaco E&P Inc.

3. Address and Telephone Number:

11111 Wilcrest Drive, Houston, Texas 77099; 1-281-561-4860

4. Location of Well (Footages)

At Surface: 1,950' FNL, 2,900' FWL 4365155 39.43348
At Proposed Producing Zone: 413554 112.00440

5. Lease Designation and Serial Number:

Patented

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Farm or Lease Name:

Monroe Trust

9. Well Number:

1-7

10. Field or Pool, or Wildcat:

Wildcat

11. Qtr/Qt, Section, Township, Range, Meridian:

SW
NW/4, Section 7,
T16S, R1W, SLB&M

14. Distance in miles and direction from nearest town or post office:

Approximately 12 miles southwest of Levan, Utah

12. County:

Juab

13. State:

Utah

15. Distance to nearest property or lease line (feet):

1,950'

16. Number of acres in lease:

1,276.30

17. Number of acres assigned to this well:

160 acres

18. Distance to nearest well, drilling, completed, or applied for, or

None

19. Proposed Depth:

3,500'

20. Rotary or cable tools:

Rotary

21. Elevations (show whether DF, RT, GR, etc.):

5042' GR

22. Approximate date work will start:

May 2002

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" K-55 ST&C	24	300'	230 sacks Class G cement + 1% CaCl ₂ + 0.25 pps cellophane
7-7/8"	5-1/2" N-80 LT&C	17	3,500'	177 sacks 10:2 RFC Class G + 1% CaCl ₂ + 0.25 pps cellophane flakes

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

This is an amendment to a previously approved APD that ChevronTexaco has assumed the role of owner/operator from Wolverine Gas and Oil Corporation. Through this amendment ChevronTexaco seeks changes to the owner/operator information, drilling plan, location layout and related information.

Assigned API Number: 43-023-30017

Fee Bond Number: 6027949

Surface Owner: Sarah Loraine Monroe; P.O. Box 560052, Scipio, Utah 84055

Landowner Representative: Victor Monroe; 435-758-2491

Core Interval: Core $\pm 90'$ from $\pm 1,100'$ utilizing a conventional core barrel yielding 3-1/2" core

24.

Name & Signature: Don Hamilton Don HamiltonTitle: Agent for ChevronTexaco Date: 5-3-02

(This space for state use only)

API Number Assigned: 43-023-30017

RECEIVED

MAY 08 2002

DIVISION OF
OIL, GAS AND MINING

CONFIDENTIAL

ORIGINAL

Section 7, 6 S., R.1W., S.L.B. & M

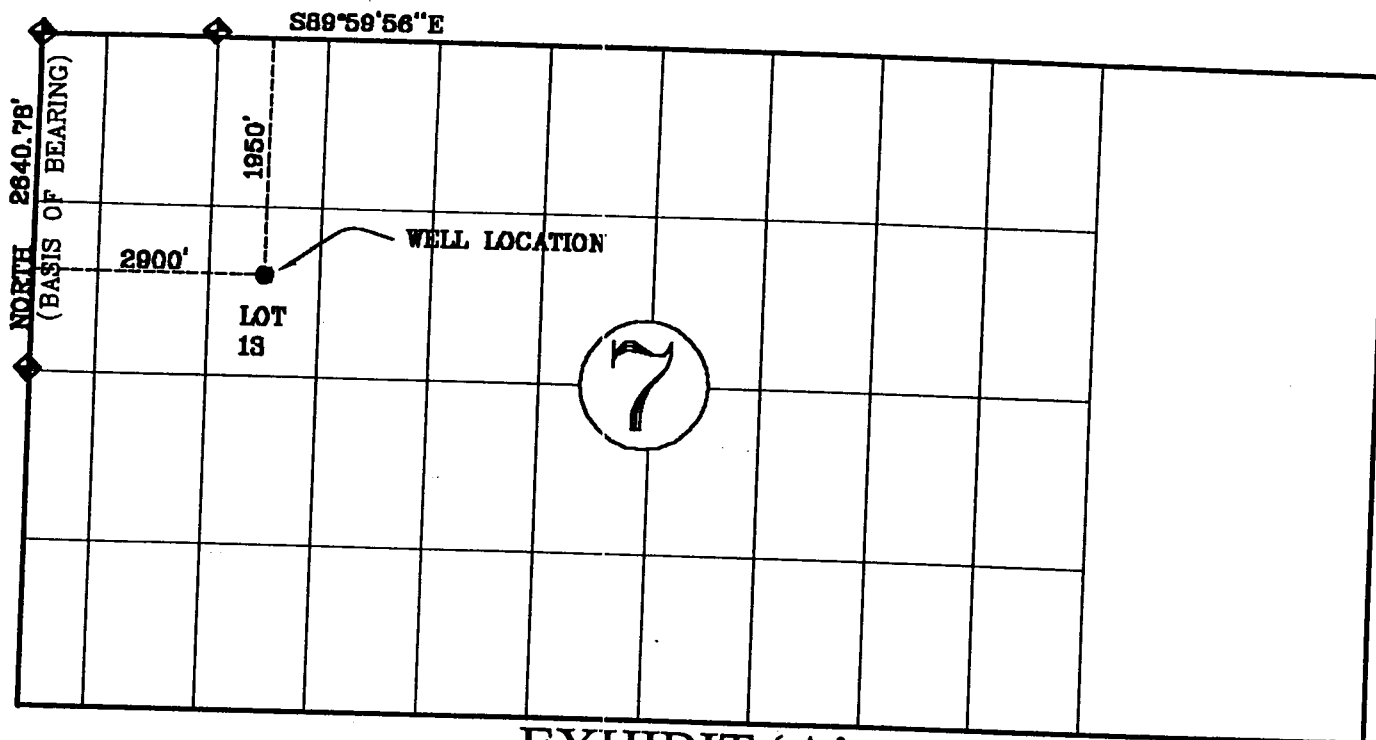


EXHIBIT 'A'

BASIS OF BEARING

NORTH ALONG
THE WEST
SECTION LINE.

LEGEND

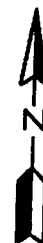
- = WELL LOCATION
- ◆ = MONUMENTED SECTION CORNER
- ◆ = UNMONUMENTED SECTION CORNER

CERTIFICATION

I, STEPHEN L. LUDLOW, DO HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND THAT I HOLD CERTIFICATE NO. 152774 AS PRESCRIBED UNDER THE LAWS OF THE STATE OF UTAH. I FURTHER CERTIFY THAT A SURVEY HAS BEEN MADE OF THE LAND SHOWN AND DESCRIBED HEREON. I FURTHER CERTIFY THAT THIS SURVEY IS A CORRECT REPRESENTATION OF THE LAND SURVEYED AND HAS BEEN PREPARED IN CONFORMITY WITH THE MINIMUM STANDARDS AND REQUIREMENTS OF THE LAW.

Stephen L. Ludlow
STEPHEN L. LUDLOW

4-4-01
DATE:



PLAT PREPARED BY

LUDLOW ENGINEERING
645 NORTH MAIN STREET
NEPHI, UTAH, 84648
PHONE 623-0897

FILE NUMBER LE1002

WELL LOCATION PLAT FOR
WOLVERINE GAS AND OIL COMPANY
MONROE TRUST 1-7

TOWNSHIP 16 SOUTH, RANGE 1 WEST, SLBM
SECTION 7 : LOT 13
1950' FNL 2900' FWL
JUAB COUNTY, UTAH

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

ChevronTexaco

3. Address and Telephone Number:

1111 Wilcrest Drive, Houston, Texas 77099 1-281-561-4860

4. Location of Well

Footages:

1,950' FNL, 2,900' FWL

QQ, Sec., T., R., M.:

NW/4 NW/4, Section 7, T16S, R1W, SLB&M

5. Lease Designation and Serial Number:

Patented

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Monroe Trust 1-7

9. API Well Number:

43-023-30017

10. Field or Pool, or Wildcat:

Wildcat

County: Juab

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |
- Approximate date work will start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>TD Depthchange</u> | |
- Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The TD for this well has changed.

The TD and casing depth has been deepened to 3,500'

Cement volumes and the remainder of the drilling plan remains unchanged.

RECEIVED

MAY 08 2002

DIVISION OF
OIL, GAS AND MINING

ORIGINAL

13.

Name & Signature:

Don Hamilton Don Hamilton

Title:

Agent for ChevronTexaco

Date:

5-3-02

(This space for state use only)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

ChevronTexaco

3. Address and Telephone Number:

1111 Wilcrest Drive, Houston, Texas 77099 1-281-561-4860

4. Location of Well

Footages:

1,950' FNL, 2,900' FWL

QQ, Sec., T., R., M.:

NW/4 NW/4, Section 7, T16S, R1W, SLB&M

5. Lease Designation and Serial Number:

Patented

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Monroe Trust 1-7

9. API Well Number:

43-023-30017

10. Field or Pool, or Wildcat:

Wildcat

County: Juab

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |
- Approximate date work will start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Cement Volume Change</u> | |
- Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The cement volume for this well has been changed from 177 sacks to 323 sacks to provide adequate cement between 1,100' and the TD of 3,500'

RECEIVED

MAY 31 2002

DIVISION OF
OIL, GAS AND MINING

13.

Name & Signature: Don Hamilton

Don Hamilton

Title: Agent for ChevronTexaco

Date: 5-28-02

(This space for state use only)

ORIGINAL



WOLVERINE GAS AND OIL CORPORATION

Energy Exploration in Partnership with the Environment

June 11, 2002

Mr. Jim Thompson
Utah Division of Oil,
Gas and Mining
1594 West North Temple
Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Re: Change of Operator
Williams Peak Prospect

Dear Mr. Thompson:

Enclosed please find original executed Sundry Notices for the Monroe Trust 1-7 and the Utah State 1-36 wells. These Sundry Notices change the operator of the wells from Wolverine Gas and Oil Corporation to Chevron U.S.A. Inc. effective as of May 1, 2002. Pursuant to my telephone conversation with Ms. Lisha Cordova of your office, Chevron will also file Sundry Notices for these wells indicating that they are taking over as operator effective May 1, 2002.

If you have any questions or need any additional information, please feel free to contact me.

Very truly,

Richard D. Moritz

Encls.

cc: Mr. Jim Micikas
Chevron U.S.A. Inc.
11111 South Wilcrest
Houston, TX 77099

RECEIVED

JUN 14 2002

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

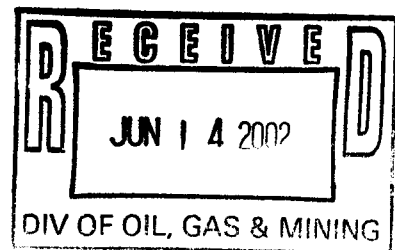
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Stratigraphic Test (Single Zone)</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Wolverine Gas and Oil Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: One Riverfront Plaza CITY Grand Rapids STATE MI ZIP 49503-2616 PHONE NUMBER: (616) 458-1150		7. UNIT or CA AGREEMENT NAME: N/A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1950' FNL, 2900' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 7 16S 1W		8. WELL NAME and NUMBER: Monroe Trust 1-7
		9. API NUMBER: 4302330017
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: Juab
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective May 1, 2002, change of operator from Wolverine Gas and Oil Corporation to:

Chevron U.S.A. Inc.
c/o Coalbed Methane Group
11111 S. Wilcrest
Houston, Texas 77099
(281) 561-3815



NAME (PLEASE PRINT) <u>Richard D. Moritz</u>	TITLE <u>Vice President Land</u>
SIGNATURE <u>Richard D. Moritz</u>	DATE <u>6/11/2002</u>

(This space for State use only)



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 5, 2002

Chevron USA, Inc.
11111 Wilcrest Drive
Houston, TX 77099


Re: Monroe Trust 1-7 Well, 1950' FNL, 2900' FWL, SW NW, Sec. 7, T. 16 South, R. 1 West, Juab County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-023-30017.

Sincerely,

 John R. Baza
Associate Director

pb

Enclosures

cc: Juab County Assessor

Operator: Chevron USA, Inc.
Well Name & Number Monroe Trust 1-7
API Number: 43-023-30017
Lease: Patented

Location: SW NW Sec. 7 T. 16 South R. 1 West

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

7. Production casing shall be cemented back to 1000' MD.

016

From: "Don Hamilton" <talon@etv.net>
To: "Diana Mason" <DIANAMA:SON@utah.gov>
Date: 8/20/03 12:34PM
Subject: MonroeTrust 1-7 43-023-33017 --Request for Expiration

Diana:

On behalf of Chevron USA, Inc. Talon Resources, Inc. hereby submits this request that the Utah Division of Oil Gas and Mining allow the Monroe Trust 1-7 (43-023-30017) state drilling permit issued on August 5, 2002 to expire. Following drilling and completion activities in the area last fall the drilled wells were later plugged and abandon and the prospect abandon by Chevron.

Please feel free to contact me if you have any questions or need additional information.

Don



State of Utah
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August 20, 2003

Don Hamilton
Chevron USA Inc.
P.O. Box 1230
Huntington, UT 84528

Re: APD Rescinded – Monroe Trust 1-7, Sec. 7, T. 16S, R. 1W - Juab County, Utah
API No. 43-023-30017

Dear Mr. Hamilton:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 5, 2002. On August 20, 2003, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 20, 2003.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Engineering Technician

cc: Well File
Gil Hunt, Technical Services Manager